# Electronic Income Withholding (e-IWO)

## User's Guide

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U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families
Office of Child Support Enforcement

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# Background

## *Legislative History*

The Child Support Enforcement Program has greatly expanded since its establishment in 1975. The program's goals are still to ensure that children are supported financially by both parents and to reduce public assistance expenditures. Created as Title IV, Section D of the Social Security Act, the program is often referred to as the "IV-D Program" and handles slightly more than half of all child support orders nationwide. Child support orders that are handled outside the IV-D Program, by private attorneys, the courts or the parties themselves, are referred to as "non IV-D". The program is federally mandated and partially federally funded but is administered at the local level by a combination of state and local/county agencies depending upon the state, as well as federally recognized tribes or tribal organizations. Participation in the IV-D program is voluntary unless the custodial parent is receiving Temporary Assistance to Needy Families (TANF cash public assistance benefits) or Medicaid in which case their participation is mandatory.

Over the years, Congress has strengthened the program by enacting new initiatives and mandates that led to more child support being collected. In 1996, Congress passed the most comprehensive and far reaching changes as part of the Personal Responsibility and Work Opportunity Reconciliation Act (P.L. 104-193), commonly referred to as "Welfare Reform" or PRWORA. Under its terms, state and federal case registries were built, databases containing employment information were developed and states were required to implement State Disbursement Units (SDU's). In addition, the Federal Office of Child Support Enforcement and many state agencies have developed innovative and creative approaches to handle specific child support issues by utilizing the latest technological advances.

Although federally recognized tribes or tribal organizations can establish and operate tribe specific child support programs (and receive federal funding), federal regulations do not require that tribal IV-D agencies implement an automated child support system. Several tribes have agreements with their respective states and use the state's automated child support systems. Recent changes in federal regulations may provide the opportunity for tribes to design and develop automated child support systems in the near future.

## *History of Income Withholding*

The use of income (or wage) withholding as an effective means of collecting child support began in the 1980's. The Child Support Enforcement Amendments of 1984 (P.L. 98-378) required states to implement procedures for initiated income withholding when an arrearage occurred.

In 1988, the Family Support Act (P.L. 100-485) mandated the concept of immediate income withholding in all IV-D cases with new or modified orders after November 1, 1990 and for all non IV-D cases initially issued after January 1, 1994. These provisions also contained the exceptions to withholding where one of the parties demonstrated to the court or administrative agency that there was a good cause not to require immediate withholding, or the parties reached a written agreement providing for an alternative arrangement.

As part of the PRWORA legislation in 1996, states were required to implement additional changes to make the use of income withholding easier and more efficient. One of the main

changes was the requirement that a federally approved, standardized income withholding order form be used for all child support withholdings (IV-D and non IV-D cases). It is this form that provided the basis for the e-IWO process. The form can be found in Appendix C.

## *Current Practice*

The current income withholding process is based on paper – requiring several steps on the part of child support agencies and employers. Although there may be some slight variation depending upon the specific state or employer, in general, the process is as follows:

- an income withholding order (IWO) is initiated by the child support enforcement agency by the generation of the IWO form;
- the IWO is printed and mailed to the employer; this may involve the worker having to fold the document, put it into an envelope and affix postage;
- the IWO is received by the employer, opened and the information entered into their payroll system;
- the specified amount is deducted from the non custodial parent's (NCP) wages each pay period and sent to the child support enforcement agency.

Depending upon how often the NCP is paid, when the IWO is received and the amount of time required to enter the data into the employer's payroll system, it is commonly accepted that the process may take four to six weeks to fully implement and for the custodial parent to receive the first payment. Income withholding orders "lost in the mail" are common, which only serves to further delay the flow of child support collections.

If the NCP stops working for the employer, this information may be relayed to the child support enforcement agency in some kind of written format. In some instances, it is not reported at all. Upon receipt of the termination, the child support worker must enter the information into their automated system. In some states, this triggers automated searches for new employment data for the NCP and once found, the process begins again.

## *How Did We Get Here?*

In August 2004, a workgroup was convened in Chicago, Illinois to explore the possibility of transmitting IWO information electronically. The workgroup was comprised of employers from the public and private sector, a large payroll processor, federal agencies (Social Security Administration, Department of Defense and US Postal Service) and eighteen (18) states/tribes/territories. The workgroup brainstormed through creative ideas and suggestions to create an electronic process that provided for the two-way flow of information between states and employers.

At this time, since most tribal IV-D agencies are not automated, they have not been intricately involved in the development and implementation of this process and therefore are not specifically referred to throughout this document. However, as more tribes develop and/or enhance tribal infrastructures and move into their own age of automation, it is anticipated that the future will see more tribal IV-D programs with the desire to utilize interfaces including e-IWO's.

The workgroup meets on a semi-monthly basis to review and develop standard business definitions for each data element of the standardized IWO form and to define a standard record layout for each transaction. Participants also participated in the pilot phase. The workgroup

continues to meet and discuss topics as they evolve and as the project expands to more states and employers.

Information regarding the pilot can be found in Appendix E.

# e-IWO – An Overview

In child support enforcement, the income withholding order  is the quickest, easiest and most efficient method to ensure that regular child support payments are made to the children and families who rely on them.  The IWO has become so effective that, in FY 2004, more than two-thirds of all child support collections were made in this manner – that amounted to more than $17 billion.

In an age of ever changing technological advances, the Federal Office of Child Support Enforcement (OCSE) in cooperation with private and public employers, and state child support agencies, explored the possibility of creating an electronic mechanism by which IWO information could be transmitted to employers.  The culmination of this effort is the electronic income withholding order or *e-IWO* which has the following goals:
- to reduce the amount of time it takes to send and process an IWO;
- to reduce or eliminate costs associated with traditional paper processing; and
- to reduce the time it takes for child support to be received by the family.

The e-IWO format is based on the most recent standardized Order/Notice to Withhold Income for Child Support which has been approved by the Office of Management and Budget (OMB).  Through the e-IWO process, states are able to send an IWO directly to employers electronically.  In addition, employers have the opportunity to provide electronic feedback in a timelier manner.  The e-IWO process has been successfully piloted and is ready for nationwide implementation.

This guide is designed to provide states and employers (public and private) with the necessary information and recommendations to implement the e-IWO process.  While every effort has been made to anticipate issues and questions that might arise while considering the use of e-IWO, it is recognized that some situations may not be covered.   A list of contacts has been provided at the end of this guide should further information be necessary.

It is important to keep in mind that the use of the e-IWO is strictly voluntary on the part of states and employers.  It is hoped however that as more states and employers take advantage of this process, that the lives of children everywhere will be improved.


# The e-IWO Process

The e-IWO process involves the electronic sharing of information between the state child support enforcement agency and the employer.  The information shared may be characterized as follows:
- New/original or amended order information (child support enforcement agency to employer);
- File and Receipt acknowledgement  (employer to child support enforcement agency);
- Termination of NCP employment (employer to child support enforcement agency);
- Termination of order information (child support enforcement agency to employer);
- Lump sum payments (child support enforcement agency to employer).

Through a secure, agreed upon method, the child support enforcement agency and the employer exchange data files based on a defined, standard file layout.  The formats that have been tested for states and employers to submit are flat file and XML.  Through these various methods, states and

employers have the ability to select the technology that best meets their needs. File layouts may be found in Appendix A.

### New/Original Order Information

The e-IWO process begins with the entry of the details of the support order and information about the NCP employer in the state's automated child support enforcement system. A file is then generated from the state's system containing all the data elements that would ordinarily appear on the paper version of the IWO (for example, NCP's name, Social Security number (SSN), support obligation amounts, case number, etc). The file is transmitted to the employer by whichever method has been agreed upon and is automatically downloaded into the employer's payroll/computer system. Since some state laws require that the employer provide a copy of the IWO to the employee, employers may need to develop a process to be able to print a paper copy of the IWO for its own records and/or for the employee/NCP. A variety of possible methods for performing this action include conversion to a PDF file. Information regarding communication methods can be found in Appendix D.

### Acknowledgement

Once the e-IWO file is downloaded into the employer's system, a transaction is sent to the submitting state, acknowledging receipt of the file. This acknowledgement lets the state know that the employer received the transaction and whether the transaction was accepted or rejected (along with a reason for the rejection). Depending on the particular code returned to the state and that state's particular practices, follow-up action by the child support enforcement agency may be warranted.

### Termination of NCP Employment

If the NCP's employment with the employer is terminated for any reason, the fact of the termination is entered into the employer's payroll system. If the employer has implemented income withholding against the employee, a transaction is sent to the originating state letting the state know that the NCP is no longer employed. Employers may optionally provide additional information to the state regarding the date of termination, last payment date and amount, and new employer. Depending on the state's particular practices, follow-up action to locate a new employer may be initiated either automatically by the child support system or manually by a worker.

### Modification/Termination of Child Support Order

When a support order is modified or terminated, information indicating this is entered into the state's child support system. Utilizing the equivalent of the "Amended" or "Termination" boxes contained on the actual IWO form, a new transaction is sent from the state system to the employer. This transaction notifies the employer to update the information in its payroll system and take the appropriate corresponding action (modifying the amount being withheld or terminating the withholding altogether).

## *Lump Sum Payments*

If the child support enforcement agency becomes aware that the NCP is or may be entitled to a "lump sum payment" (bonus, severance pay, etc.), a separate lump sum transaction may be sent to the employer in order to obtain part or all of the payment to apply to the NCP's support obligations.  Upon receipt of the lump sum payment transaction, the employer will deduct the amount indicated and forward it to the child support enforcement agency, along with an acknowledgement record (as indicated above).  Since the lump sum payment transaction is a "one time" payment, there is no need for the child support enforcement agency to transmit a termination of a lump sum payment.

In addition, the employer has the ability to notify the child support enforcement agency of an upcoming lump sum payment.  Upon receipt of this information, the child support enforcement agency will generally have a set number of days to respond to the employer, indicating the action the employer should take with regard to the lump sum amount.

# The e-IWO Process for State IV-D Agencies

**Note:  For purposes of this section, the term "employer" includes federal agencies and non-federal agency/private employers unless otherwise designated.**

## *Benefits to the State IV-D Agency*

The transmission of income withholding orders electronically has several important improvements over sending a paper version through the mail.  There are two primary benefits to the state IV-D agency:  increased collections and cost savings.  As a result of the decreased delivery time between the state IV-D agency and the employer, the employer is able to implement the income withholding more quickly which translates into receiving the first child support payment from the employer more quickly.  With the elimination of mailing a paper copy of the IWO to the employer, the IV-D agency will reduce postage and paper costs in addition to decreased personnel time dedicated to the handling of paper income withholding orders.  In addition, automating the termination of employment information received from the employer reduces staff time related to entering this information manually into the child support enforcement system, and may allow a new employer for the NCP to be found more quickly.

## *Costs*

IV-D agencies who wish to take advantage of the e-IWO process will incur some costs initially in order to develop the interface to exchange and process files between employers and their automated system.  However, the cost savings as highlighted above will quickly offset the cost of development.  In addition, other states that have successfully implemented the process may be willing to share information related to their e-IWO development, including best practices and lessons learned which may help lower development costs.

It is important to note that most of the development costs are "one time" costs when implementing e-IWO the first time with an employer.  Due to the standardization of the process, it is easy to add additional employers with often little or no additional IT resources.  As more employers are added and the number of e-IWO's processed increases, the initial costs are more quickly recovered.

## *Process*

Withholding orders are translated into an electronic version of the standard income withholding form which has been formatted in a defined layout used by states and employers (see Appendix A).  The orders are placed into a file, which is electronically passed through a secured connection and transmitted daily to the employer.  Acknowledgement files are generated from the employer and returned to the state verifying receipt of the submitted batch file.

## *Communication Between State and Employer*

The method of communication between the state and the employer may vary slightly depending upon the employer and the agreed upon method.  Files transmitted between the state and all federal agencies (DFAS, SSA, USPS, etc.) will be through the OCSE Child

Support Enforcement Network (CSENet), which is a secure, closed network. For all other employers, communication will be either through a flat file exchange or through an exchange of files via a secured web site. This exchange can take place either through the state's automated system batch cycle or via a state web portal using a secured FTP connection.

All communication methods will provide a two-way connection between the state and the employer. When submitting the e-IWO transactions, the state uploads the detail records to its directory and then routes the data to the employer by the Federal Employer Identification Number (FEIN) located in the header record. The employer, in turn, will download the data files from its directory and process accordingly. The receipt and acknowledgement files sent by the employer are uploaded to the agency's directory and are then routed to the state based on the state's FIPS code, also located in the receipt or header record. The state will download the data file and process it into their child support system. Information on communication methods can be found in Appendix D.

### Level of Automation

As part of their system's certification, states should be producing the paper IWO automatically through their automated child support system. The e-IWO process takes the data elements currently populated into the generated IWO form and instead, puts them into a file data string, making the creation of the records transmitting e-IWO information relatively easy. Some system changes will be required in order to handle the information being sent back by the employer; however, the extent of those changes is at each state's discretion. States may choose to fully automate the acknowledgement from the employer to reflect that the record was received by the employer (including the information on the system entry that indicates an e-IWO was sent for example), as well as any employment termination information. Alternatively, a state can choose to provide this information to its workers through reports, alerts or other means compatible with their system.

### Files Exchanged

There are three separate files exchanged between the state and employer:
- e-IWO files (containing Header, Detail and Trailer)
- Receipt File
- Acknowledgement files (containing Header, Detail and Trailer)

Fields within the files are considered Required (R), Optional (O), or Conditionally Required (CR). Further details can be found in the file layouts found in Appendix A.

### Copy of IWO for employee

Federal and/or state laws may require that the employer provide a copy to the employee. An indicator in the file will advise the employer when this requirement applies. How each state and employer handle this requirement should be agreed upon prior to implementing e-IWO with a particular employer. Another option for the employer is to make a copy of the IWO available through an employee information website (if available).

### Errors

Any e-IWO records that contain errors or missing information will quickly be identified by the employer through a pre-established edit process that has been incorporated into the e-IWO system specifications documentation.  Ideally, those orders that are identified as errors should be captured and segregated into a separate suspense database that can be reviewed by the employer's payment or garnishment department staff for review and any appropriate follow up with the state that submitted the record.

### Lump Sums

The e-IWO process includes the ability to handle lump sum payments in two different ways.   The first is the notification by the employer to the state child support agency that the NCP is eligible for a lump sum payment.  Upon receipt of this notification, the state agency can let the employer know that they want to receive some of those funds for the payment of child support.  The second method is the reverse – the state agency becomes aware that the NCP may be receiving a lump sum payment and requests the funds from the employer.  These requests are indicated in the Detail Record by Action Code "LUM".  Due to the nature of the payments, timeliness is crucial in processing these requests.  The e-IWO process should enable more lump sum payments to be applied to child support obligations.

# The e-IWO Process for Federal Agencies

### Benefits to the Federal Agency

The transmission of income withholding orders electronically has several important improvements over sending a paper version through the mail. Some obvious benefits include the decreased delivery time between the state child support enforcement agency and the federal agency, the elimination of keying errors that result from the manual entry of child support withholding information into the payment system, and the significant cost and time savings associated with decreased postage and handling of paper. Additional benefits include reduced processing time, paper and printing costs. Through the transmission of "bulk" orders at one time, personnel costs for mail processing and data entry will be reduced.

### Costs

Federal agencies wishing to take advantage of the e-IWO process will incur some costs initially in order to develop the interface to exchange and process files between the states and their payment processing system. However, the cost savings as highlighted above will quickly offset the cost of development. In addition, federal agencies that have successfully implemented the process may be willing to share information related to their e-IWO development, including best practices and lessons learned which may help lower development costs.

It is important to note that most of the development costs are "one time" costs when implementing e-IWO the first time with a state. Due to the standardization of the process, it is easy to add additional states with often little or no additional IT resources. As more states are added and the number of e-IWO's processed increases, the initial costs are more quickly recovered.

### Process

Income withholding orders are translated into an electronic version of the standard income withholding form that has been formatted in a defined layout used by states and federal agencies (see Appendix A). The order information is placed into a flat file, which is electronically passed through a secured connection and transmitted daily to the federal agency. Acknowledgement files are generated from the agency and returned to the state child support enforcement agency verifying receipt of the submitted batch file. In the future, federal agencies may be able to utilize XML as well.

### Communication Between State Child Support Enforcement Agency and Federal Agency

Files are transmitted between the state child support enforcement agency and the federal agency through the Federal Office of Child Support Enforcement's (OCSE) Child Support Enforcement Network (CSENet), which is a secure, closed network. The e-IWO files require a designated location on the child support enforcement system for pick up and delivery. A user ID and password to log onto the CSENet system must be obtained by the federal agency in order to exchange files. Since most states use IBM mainframe

systems, these files are referred to as data sets. The user ID that is used to log onto the system must be given read and write capabilities.

CSENet will provide a two-way connection between the state child support enforcement agency and the federal agency. When submitting the e-IWO transactions, the state agency uploads the detail records to its directory and CSENet then routes the data to the federal agency using the Federal Employer Identification Number (FEIN) located in the header record. The federal agency, in turn, will download the data files from its directory and process them accordingly. The receipt and acknowledgement files sent by the federal agency are uploaded to the agency's directory on CSENet and are then routed to the state child support enforcement agency based on the state's FIPS code, also located in the receipt or header record. The state agency will download the data files and process them into their automated child support enforcement system. Additional information regarding communication methods may be found in Appendix D.

### Files Exchanged

There are three separate files exchanged between the state and agency:
- e-IWO files (containing Header, Detail and Trailer)
- Receipt File
- Acknowledgement files (containing Header, Detail and Trailer)

Fields within the files are considered Required (R), Optional (O), or Conditionally Required (CR). Further details may be found in the file layouts found in Appendix A**.**

### Errors

Any e-IWO records containing errors or missing information will be quickly identified by the agency through a pre-established edit process that has been incorporated into the e-IWO system specifications documentation. Those orders that are identified as errors can be captured and segregated for review and any appropriate follow-up with the state child support enforcement agency that submitted the record.

### Lump Sums

Where applicable, the e-IWO process includes the ability to handle lump sum payments in two different ways. The first is the notification by the federal agency to the state child support enforcement agency that the NCP is eligible for a lump sum payment. Upon receipt of this notification, the state agency can let the federal agency know that they want to receive some of those funds for the payment of child support.

The second method is the reverse – the state child support enforcement agency becomes aware that the NCP may be receiving a lump sum payment and requests the funds from the federal agency. Both types of transactions are indicated in the Detail Record by Action Code "LUM". Due to the nature of the payments, timeliness is crucial in processing these requests. The e-IWO process should enable more lump sum payments to be applied to child support obligations.

The need to exchange lump sum information will depend upon the availability of lump sum payments by each agency.

# The e-IWO Process for Non-Federal Employers

### Benefits to the Employer

The transmission of income withholding orders electronically has several important improvements over sending a paper version through the mail.  Some of the more obvious benefits include the decreased delivery time between the child support enforcement agency and the employer, the elimination of keying errors that result from the manual entry of child support withholding information into the payment system, and the significant cost and time savings associated with decreased postage and handling of paper.  Additional benefits include reduced processing time, paper and printing costs.  Through the transmission of "bulk" orders at one time, personnel costs for mail processing and data entry will be reduced.

### Costs

Employers wishing to take advantage of the e-IWO process will incur some costs initially in order to develop the interface to exchange and process files between the states and their payment processing system.  However, the cost savings as highlighted above will quickly offset the cost of development.  In addition, employers that have successfully implemented the process may be willing to share information related to their e-IWO development, including best practices and lessons learned which may help lower development costs.

It is important to note that most of the development costs are "one time" costs when implementing e-IWO the first time with a state.  Due to the standardization of the process, it is easy to add additional states with often little or no additional IT resources.  As more states are added and the number of e-IWO's processed increases, the initial costs are more quickly recovered.

### Process

Income withholding orders are translated into an electronic version of the standard income withholding order form which has been formatted in a defined layout used by states and federal agencies (see Appendix A).  The income withholding order information is placed into a file, which is electronically passed through a secured connection and transmitted daily from the state child support enforcement agency to the employer.  Acknowledgement files are generated from the employer and returned to the state agency verifying receipt of the submitted batch file.

### Communication Between State and Employer

Non-federal employers have a couple of options to consider when determining the method of communication with a particular state child support enforcement agency:  flat file processing and XML.  The method chosen must be made in consultation with and agreement from the state.  The employer must also consider the resources necessary for making information technology changes and their availability, as well as the capability to provide adequate security to protect the data being exchanged.   Due to the various options available for states and employers, there is no "one way".  The e-IWO staff from

the Federal Office of Child Support Enforcement (OCSE) can assist employers and states in determining the method most suitable for their exchange. Information regarding communication options can be found in Appendix D.

Regardless of the communication method chosen, the e-IWO provides a two-way connection between the state child support enforcement agency and the employer. When submitting the e-IWO transactions, the state agency uploads the detail records to its directory and then routes the data to the employer based on the Federal Employer Identification Number (FEIN) located in the header record. The employer, in turn, will download the data files from its directory into their payroll/accounting system and process them accordingly. The receipt and acknowledgement files sent by the employer are uploaded to the state child support enforcement agency using the state's FIPS code, also located in the receipt or header record. The state will download the data files and process them into their automated child support enforcement system.

### Use of Payroll Providers

If the employer's payroll and/or income withholding is handled by a third party payroll provider, careful consideration should be given as to the expected benefits of implementing e-IWO and the number of IWO's processed. This situation may require additional processing between the employer and the payroll provider.

### Level of Automation

In order to maximize savings by utilizing the e-IWO, the employer should automate as much of the process as possible. However, it is not necessary to handle 100 percent of the process in an automated fashion. Each employer should determine how much automation its company can accept and still be cost-effective. For example, the employer can receive the IWO electronically, print the documents and enter the data manually into their payroll system if fully uploading the information into the payroll system is not feasible. This determination may also need to take into account the employer's internal policies regarding the processing of IWO's in general.

### Copy of IWO for Employee

There may be instances when an actual paper copy of the IWO is needed. In this situation, the employer may want to develop a print program that would print a paper copy of the IWO transmitted or the employer may make a copy of the IWO accessible to the employee via an employee website. In addition, some states may have the ability to send a PDF file containing printable versions of the IWOs that were transmitted electronically. How each state and employer handle this requirement should be agreed upon prior to implementing e-IWO with a particular state.

### Files Exchanged

There are three separate files exchanged between the state and employer:
- e-IWO files (containing Header, Detail and Trailer)
- Receipt File
- Acknowledgement files (containing Header, Detail and Trailer)

Fields within the files are considered Required (R), Optional (O), or Conditionally Required (CR). Further details may be found in the file layouts found in Appendix A.

## *Errors*

Any e-IWO records that contain errors or missing information will quickly be identified by the agency through a pre-established edit process that has been incorporated into the e-IWO system specifications documentation. Those orders identified as errors may be captured and segregated for review and any appropriate follow up with the state child support enforcement agency that submitted the e-IWO record.

## *Lump Sums*

The e-IWO process includes the ability to handle lump sum payments in two different ways. The firs, is the notification by the employer to the state child support enforcement agency that the NCP is eligible for a lump sum payment. Upon receipt of this notification, the state agency can let the employer know that they want to receive some of those funds for the payment of child support. The second method is the reverse – the state agency becomes aware that the NCP may be receiving a lump sum payment and requests the funds from the employer. Both types of requests are indicated in the Detail Record by Action Code "LUM". Due to the nature of the payments, timeliness is crucial in processing these requests. The e-IWO process should enable more lump sum payments to be applied to child support obligations.

Appendix A
## RECORD LAYOUTS AND REQUIREMENTS

The electronic income withholding order (e-IWO) project relies on standardized electronic record layouts in order that:

- states can send income withholding orders electronically to employers
- employers can efficiently and effectively receive income withholding orders, as well as communicate information regarding the income withholding orders (e.g., was it received, processed, etc.) to the state sending the e-IWO
- employers can electronically notify a state, tribe or territory that an NCP has been terminated or that a "Lump Sum" or "Bonus" payment will be made to the NCP

This section of the Users Guide details the record layouts used by the e-IWO process. It also explains the data contained within them can or should be used by states and employers.

## FLAT FILE RECORD LAYOUTS

There are three basic record layouts used in the e-IWO process. These layouts are:

**e-IWO Detail Record** - used to transmit original, amended, termination or "Lump Sum" e-IWO documents to employers. This record includes a Header, the Detail Record and a Trailer Record.
**e-IWO Acknowledgement Record** – used by employers to advise a state, tribe or territory that an e-IWO has been accepted or rejected and when an NCP is no longer in their employ or that a "Lump Sum" payment will be paid in the near future.
**e-IWO Read Receipt Record** – used by an employer to advise a state, tribe or territory that a file has been accepted (no information about each individual IWO is included in this record).

The following "rules" apply to ALL the flat file record layouts below:

- All fields, except those containing a dollar amount, are left justified. For example, a last name of Smith would be filled as Smith~~bbbbbbbbbbbbbbb~~ (b=space).

- All date fields are in the Y2K format - CCYYMMDD

- Initialize elements in all records to spaces – NOT low or null values.

- Dollar fields are 11 characters and all are **right** justified. For example, $100.50 would be 00000010050. The decimal is assumed for all dollar amounts. All dollar amounts are assumed to be positive.

- Any field that has an "R" in the "Required/Optional" column must have a valid value present. Any field that has a "CR" in the "Required/Optional" column must be filled if the condition in the "Data Element Rules" column is met.

The "workflow" for transmitting income withholding orders from a state to an employer is as follows:

State, tribe or territory identifies a case in which an income withholding order must be sent. They then must generate an "Initial," "Amended," "Termination" or "Lump Sum" income withholding order, depending on the circumstances in the case. The first step in generating an electronic income withholding order is to create an "e-IWO Detail Record" for each income withholding order.

For each employer either:

> Create an "e-IWO Header", "e-IWO Detail Record" and "e-IWO Trailer Record" for **each** IWO individually (this means one employer could receive multiple e-IWO Headers, Detail and Trailer records from a state, tribe or territory in a given day if more than one e-IWO was generated)

> Create an "e-IWO Header", "e-IWO Detail Record" and "e-IWO Trailer Record" for all IWO's intended for a single employer (e.g., unique Federal Employer Identification Number (FEIN)) for a particular employer. This means that an employer will receive all e-IWO's intended for them in one file, rather than multiple, as described in the previous paragraph.

After the income withholding orders have been generated, the state, tribe or territory should annotate/update their child support automated system that an IWO has been issued (what is posted to a state, tribe or territory's system will vary depending on state practice and procedures).

After these files have been created, arrange for these files/records to be transmitted to the appropriate employer(s). See the "Communication Methodologies" section for a description of the alternatives.

After receiving the e-IWO file, the employer will return an "e-IWO File Receipt" record to the state. This will advise the state that the e-IWO file generated by the state has been received by the employer. States may wish to annotate/update their case record or file to reflect that the files, and the records in it, were received by the employer.

After the "e-IWO File Receipt, " the employer sends an "Acknowledgement" record which tells the state if the e-IWO sent by them was accepted or rejected and other information that the employer may include.

Once the e-IWO has been accepted and processed, almost all communication between an employer and a state, tribe or territory can occur electronically.

The record layouts, described below, support the electronic transmission and receipt of income withholding orders and any subsequent updates to these documents.

The section below deals with the "Flat File" record formats and the subsequent section with the XML schemas and test documents.

**The "e-IWO Detail Record"**

The primary record that is used by a state, tribe or territory to transmit an income withholding order electronically is titled the "e-IWO Detail Record." This record layout is based on the "ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT" – i.e., the record layout elements correspond to the information that is required to be completed when sending an income withholding to an employer. In fact, the record layout has a column that indicates every data element in the layout and where this data element can be

found on the "ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT". This "Detail" record contains a "Detail Header", the "Detail Record" itself and a "Detail Trailer Record." These record layouts can be found below:

**HEADER RECORD LAYOUT FOR THE**
**e-IWO DETAIL RECORD**

| Field Name | Location | Length | Type | Required/Optional | Comments |
|---|---|---|---|---|---|
| Header Document Code | 1-3 | 3 | A | R | Value must be HDR |
| Record Control Number | 4-12 | 9 | A/N | R | Value, assigned by the state, tribe or territory that uniquely identifies the records in this "batch" or "file" |
| State FIPS Code | 13-14 | 2 | N | R | Use two digit state/territory state FIPS Code |
| Employer Name | 15-71 | 57 | A/N | R | Name of the employer/ withholder to whom the withholding order is being sent |
| EIN Text | 72-80 | 9 | N | R | The employer/ withholder's FEIN |

| Payroll Processor EIN Text | 81-89 | 9 | N | O | The Payroll Processor FEIN |
|---|---|---|---|---|---|
| File Creation Date | 90-97 | 8 | N | R | Must be in Y2K format - CCYYMMDD |
| File Creation Time | 98-103 | 6 | N | R | Must be in HHMMSS format. |
| Filler | 104-2245 | 2142 | A/N | O | Filler |

# e-IWO Detail Record

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Document Code | A code that indicates the primary e-IWO record follows. | 1-3 | 3 | A/N | R | Value must always be DTL | N/A |
| Document Title Code | A code that indicates the title of the document. | 4-6 | 3 | A/N | R | Valid Values:<br>IW1=Order/Notice To Withhold Income For Child Support Default<br>IW2=Notice of an Order to Withhold Income for Child Support | 1a |
| Document Action Code | A code that indicates the action for the document. | 7-9 | 3 | A/N | R | Valid Values:<br>ORG =Original – New order for the submitted case number/identifier by the submitting state.<br>AMD =Amended – Any change for the submitted case number/identifier by the submitting state, except termination to the original order.<br>TRM =Termination – Closure of an order, stoppage of wage withholding for the submitted case number/identifier by the submitting state.<br>LUM = Lump Sum – Sent when a state, tribe or territory is notified, or made aware, that a "Lump Sum" payment will be made and they are requesting a deduction be made from this "Lump Sum". | 1b |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Document Date | The date the record was generated. | 10-17 | 8 | N | R | Format – CCYYMMDD | 1c, 24c-1 |
| Issuing State-Tribe-Territory Name | The name of the jurisdiction (state, tribe territory, etc.) issuing the document. | 18-52 | 35 | A/N | R | State, Tribe or Territory full name. | 1d |
| Issuing Jurisdiction Name | The name of the county, city, district or tribe that is issuing the document. | 53-87 | 35 | A/N | O | If entered, must be a full name. | 1e |
| Case Identifier | A case identifier is a value assigned by a state to uniquely identify each IV-D case in the state. | 88-102 | 15 | A/N | R | Must be the IV-D Case ID submitted for all external FPLS sources, FCR, etc. | 1g, 3c, 21-1 |
| Employer Name | Name of the employer/ withholder to whom the withholding order is being sent. | 103-159 | 57 | A/N | R | | 2a |
| Employer Address Line 1 Text | Line 1 of the employer/ withholder's address. | 160-184 | 25 | A/N | R | | 2b |
| Employer Address Line 2 Text | Line 2 of the employer/ withholder's address. | 185-209 | 25 | A/N | O | | 2c |
| Employer Address City Name | Employer/withholder's City Address. | 210-231 | 22 | A/N | R | | 2c-1 |
| Employer Address State Code | Employer/withholder's State Code. | 232-233 | 2 | A | R | Valid 2 alpha State Code. | 2c-2 |
| Employer Address Zip Code | Employer/withholder's Zip Code. | 234-238 | 5 | A/N | R | | 2c-3 |
| Employer Address Ext Zip Code | Employer/withholder's Extension Zip Code. | 239-242 | 4 | N | O | | 2c-4 |
| EIN Text | The employer/ withholder's FEIN. | 243-251 | 9 | N | R | | 2d |
| Employee Last Name | The Obligor's Last Name. | 252- 271 | 20 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. At least the first character must be filled. Cannot | 3a |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| | | | | | | be all spaces or blanks | |
| Employee First Name | The Obligor's First Name. | 272-286 | 15 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 3a-1 |
| Employee Middle Name | The Obligor's Middle Name or Initial. | 287-301 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and apostrophes are allowed. | 3a-2 |
| Employee Suffix | The Obligor's Name Suffix | 302-305 | 4 | A/N | O | | 3a-3 |
| Employee SSN | The Obligor's Social Security number. | 306-314 | 9 | N | R | | 3b |
| Employee Birth Date | The Obligor's date of birth. | 315-322 | 8 | N | O | | 29 |
| Obligee Last Name | The Obligee's Last Name. | 323-379 | 57 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. At least the first character must be filled. Cannot be all spaces or blanks | 3d |
| Obligee First Name | The Obligee's First Name. | 380-394 | 15 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 3d-1 |
| Obligee Middle Name | The Obligee's Middle Name or Initial. | 395-409 | 15 | A/N | O | Letters A-Z or space. No special characters. Hyphens and apostrophes are allowed. | 3d-2 |
| Obligee Name Suffix | The Obligee's Name Suffix | 410-413 | 4 | A/N | O | | 3d-3 |
| Issuing Tribunal Name | The name of state, tribe or territory that issued the support or withholding order. | 414-448 | 35 | A/N | R | Must contain full name. | 4 |
| Support Current Child Amount | The dollar amount to be withheld for payment of current child support. | 449-459 | 11 | N | R | Numeric Decimal assumed Unsigned | 5a |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| | | | | | | No Rounding<br>Right Justify<br>Zero Fill to left<br>Zero Fill if N/A | |
| Support Current Child Frequency Code | Indicates the interval the support current amount is required to be paid. | 460-460 | 1 | A/N | CR | Valid values:<br>W=Weekly<br>B=Bi-Weekly<br>S=Semi-Monthly<br>M=Monthly<br>Q=Quarterly<br>X=Semi-Annually<br>A=Annually<br><br>Required if there is a dollar amount other than zero in Support Current Amount. | 5b |
| Support Past Due Child Amount | The dollar amount to be withheld for payment of past-due child support. | 461-471 | 11 | N | R | Same as Support Current Amount | 6a |
| Support Past Due Child Frequency Code | Indicates the interval the past-due child support amount is required to be paid. | 472-472 | 1 | A/N | CR | Same as Support Current Frequency Code<br><br>Required if there is a dollar amount other than zero in Support Past Due Child Amount. | 6b |
| Support Current Medical Amount | The dollar amount to be withheld for payment of current medical support. | 473-483 | 11 | N | R | Same as Support Current Amount | 7a |
| Support Current Medical Frequency Code | Indicates the interval the current medical support amount is required to be paid. | 484-484 | 1 | A/N | CR | Same as Support Current Frequency Code<br><br>Required if there is a dollar amount other than zero in | 7b |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| | | | | | | Support Current Medical Amount. | |
| Support Past Due Medical Amount | The dollar amount to be withheld for payment of past-due medical support. | 485-495 | 11 | N | R | Same as Support Current Amount | 8a |
| Support Past Due Medical Frequency Code | Indicates the interval the past-due medical support amount is required to be paid. | 496-496 | 1 | A/N | CR | Same as Support Current Frequency Code<br><br>Required if there is a dollar amount other than zero in Support Past Medical Amount. | 8b |
| Support Current Spousal Amount | The dollar amount to be withheld for payment of current spousal support. | 497-507 | 11 | N | R | Same as Support Current Amount | 9a |
| Support Current Spousal Frequency Code | Indicates the interval the spousal support is required to be paid. | 508-508 | 1 | A/N | CR | Same as Support Current Frequency Code<br><br>Required if there is a dollar amount other than zero in Support Spousal Amount. | 9b |
| Support Past Due Spousal Amount | The dollar amount to be withheld for payment of past-due spousal support. | 509-519 | 11 | N | R | Same as Support Current Amount | 10a |
| Support Past Due Spousal Frequency Code | Indicates the interval the past-due spousal support amount is required to be paid. | 520-520 | 1 | A/N | CR | Same as Support Current Frequency Code<br><br>Required if there is a dollar amount other than zero in Support Past Spousal Amount. | 10b |
| Obligation Other Amount | The dollar amount to be withheld for payment of miscellaneous obligations. | 521-531 | 11 | N | R | Same as Support Current Amount | 11a |
| Obligation Other Frequency Code | Indicates the interval the miscellaneous obligations amount is required to be paid. | 532-532 | 1 | A/N | CR | Same as Support Current Frequency Code | 11b |
| Obligation Other | Description of the | 533-567 | 35 | A/N | CR | Required if there is a dollar | 11c |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Description Text | miscellaneous obligations. | | | | | amount other than zero in Obligation Other Amount. | |
| Obligation Total Amount | The sum of the current child support, the past-due child support, the current cash medical support, the past-due cash medical support, the current spousal support, the past-due spousal support, and the miscellaneous obligations. | 568--578 | 11 | N | R | Same as Support Current Amount | 12a |
| Obligation Total Frequency Code | Indicates the interval the total obligation is required to be paid. | 579-579 | 1 | A/N | R | Same as Support Current Frequency Code | 12b |
| Arrears 12wk Overdue Code | Indicates whether past due child support is in arrears for a period longer than 12 weeks. | 580-580 | 1 | A/N | O | Valid values: Y=Greater than 12 weeks N= Not Greater than 12 weeks Blank allowed | 13 |
| Income Withholding Deduction Weekly Amount | The amount the employer should withhold if the employee is paid weekly. | 581-591 | 11 | N | R | Same as Support Current Amount | 14a |
| Income Withholding Deduction Bi-Weekly Amount | The amount the employer should withhold if the employee is paid every two weeks. | 592-602 | 11 | N | R | Same as Support Current Amount | 14b |
| Income Withholding Semimonthly Amount | The amount the employer should withhold if the employee is paid twice a month. | 603-613 | 11 | N | R | Same as Support Current Amount | 14c |
| Income Withholding Monthly Amount | The amount the employer should withhold if the employee is paid once a month. | 614-624 | 11 | N | R | Same as Support Current Amount | 14d |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Employment Place Name | The state, tribe or territory where the NCP is employed – used to advise the employer about withholding limitations, requirements, etc. | 625-659 | 35 | A/N | O | | 15, 20 |
| Begin Withholding Within Days Number | The number of days within which the employer must commence income withholding. | 660-661 | 2 | N | R | | 16 |
| Income Withholding Start Date | The effective date of the income withholding | 662-669 | 8 | N | R | Format – CCYYMMDD | 17 |
| Send Payment Within Days Number | Number of days within which an employer or other withholder of income must remit amounts withheld pursuant to the issuing state's law. | 670-671 | 2 | N | R | | 18 |
| Income Withholding CCPA Percent Rate | The highest percentage of income that can be withheld from the employee or obligor's wages. | 672-673 | 2 | N | R | | 19 |
| Payee Name | The name of the State Disbursement Unit, individual, tribunal/court, or tribal child support enforcement agency to which payments are required to be sent. | 674-730 | 57 | A/N | R | | 21 |
| Payee Address Line 1 Text | Line 1 of the payee's address. | 731-755 | 25 | A/N | O | | 22 |
| Payee Address Line 2 Text | Line 2 of the payee's address. | 756-780 | 25 | A/N | O | | 22-1 |
| Payee Address City Name | Payee's City Address. | 781-802 | 22 | A/N | O | | 22-2 |
| Payee Address State Code | Payee's State Code. | 803-804 | 2 | A | O | Valid 2 alpha State Code | 22-3 |
| Payee Address Zip | Payee's Zip Code. | 805-809 | 5 | N | O | | 22-4 |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Code | | | | | | | |
| Payee Address Ext Zip Code | Payee's extension Zip Code. | 810-813 | 4 | N | O | | 22-5 |
| Payee Remittance FIPS Code | State and County FIPS Code for remitting payments via EFT/EDI. | 814-820 | 7 | N | R | Either State and County FIPS or Tribal Place Code. Only the first five characters are required | 23b |
| Government Official Name | Name of Government official authorizing the document. | 821-890 | 70 | A/N | R | | 24a |
| Issuing Official Title Text | Title of Governmental official authorizing the document. | 891-940 | 50 | A/N | R | | 24b |
| Government Issuing Type Code | Indicates if the document is issued by a court or IV-D agency. | 941-941 | 1 | A/N | R | Default to 'D'. D=IV-D N=Non-IV-D | 24d |
| Send Employee Copy Indicator | Indicates if employer is required to provide a copy of the notice to the employee. | 942-942 | 1 | A/N | R | Valid values: Y=Yes N=No | 26 |
| Penalty Liability Info Text | Describes additional/specific state or tribal penalties or liabilities regarding the employer's failure to obey the notice. | 943-1102 | 160 | A/N | O | States should insert the citation for the appropriate "Penalty Liability" text from their state law. | 27 |
| Anti discrimination Provisions Text | Describes additional/specific information if the employer discharges, fails to employ or disciplines the employee as a result of the notice. | 1103-1262 | 160 | A/N | O | States should insert the citation for the appropriate "Anti-discrimination" text from their state law. | 28 |
| Specific Payee Withholding Limits Text | Additional information regarding withholding limitations | 1263-1422 | 160 | A/N | O | | 29 |
| Employee State Contact Name | Contact Name. | 1423-1479 | 57 | A/N | O | | 30a |
| Employee State Contact Phone Number | Contact Phone Number. | 1480-1489 | 10 | N | O | | 30b |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Employee State Contact Fax Number | Contact Fax Number. | 1490-1499 | 10 | N | O | | 30c |
| Employee State Contact Email Address Text | Contact E-Mail Address. | 1500-1547 | 48 | A/N | O | | 30d |
| Document Tracking Number | A number assigned by the entity sending the document that uniquely identifies the document. | 1548-1577 | 30 | A/N | O | First 2 digits must begin with numeric FIPS State Code. | 29 |
| Order Identifier | A unique identifier that is associated with a specific child support obligation within a case. | 1578-1607 | 30 | A/N | O | | 29 |
| Employer State Contact Name | Employer Outreach or Customer Service Contact's Name. | 1608-1664 | 57 | A/N | O | | |
| Employer State Contact Address Line 1 Text | Line 1 of the Employer Outreach or Customer Service Contact's Address. | 1665-1689 | 25 | A/N | O | | |
| Employer State Contact Address Line 2 Text | Line 2 of the Employer Outreach or Customer Service Contact's Address. | 1690-1714 | 25 | A/N | O | | |
| Employer State Contact Address City Name | Employer Outreach or Customer Service Contact's City Address. | 1715-1736 | 22 | A/N | O | | |
| Employer State Contact Address State Code | Employer Outreach or Customer Service Contact's State Code. | 1737-1738 | 2 | A | O | Valid 2 alpha State Code | |
| Employer State Contact Address Zip Code | Employer Outreach or Customer Service Zip Code. | 1739-1743 | 5 | N | O | | |
| Employer State Contact Address Ext Zip Code | Employer Outreach or Customer Service Contact's Extension Zip Code. | 1744-1747 | 4 | N | O | | |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Employer State Contact Phone Number | Employer Outreach or Customer Service Contact Phone Number. | 1748-1757 | 10 | N | O | | |
| Employer State Contact Fax Number | Employer Outreach or Customer Service Contact Fax Number. | 1758-1767 | 10 | N | O | | |
| Employer State Contact Email Address Text | Employer Outreach or Customer Service Contact E-Mail Address. | 1768-1815 | 48 | A/N | O | | |
| Child1 Last Name | Child's Last Name. | 1816-1835 | 20 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 29 |
| Child1 First Name | Child's First Name. | 1836-1850 | 15 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. At least the first character must be filled | 29 |
| Child1 Middle Name | Child's Middle Name or Initial. | 1851-1865 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and apostrophes are allowed. | 29 |
| Child 1 Name Suffix | Child's Name Suffix. | 1866-1869 | 4 | A/N | O | | 29 |
| Child1 Birth Date | Child's date of birth. | 1870-1877 | 8 | Date | O | | 29 |
| Child2 Last Name | Child's Last Name. | 1878-1897 | 20 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 29 |
| Child2 First Name | Child's First Name. | 1898-1912 | 15 | A/N | CR | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. Required if there is any other data present for child 2. | 29 |
| Child2 Middle Name | Child's Middle Name or Initial. | 1913-1927 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and | 29 |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| | | | | | | apostrophes are allowed. | |
| Child 2 Name Suffix | Child's Name Suffix. | 1928-1931 | 4 | A/N | O | | 29 |
| Child2 Birth Date | Child's date of birth. | 1932-1939 | 8 | Date | O | | 29 |
| Child3 Last Name | Child's Last Name. | 1940-1959 | 20 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 29 |
| Child3 First Name | Child's First Name. | 1960-1974 | 15 | A/N | CR | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. Required if there is any other data present for Child 3. | 29 |
| Child3 Middle Name | Child's Middle Name or Initial. | 1975-1989 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and apostrophes are allowed. | 29 |
| Child 3 Name Suffix | Child's Name Suffix. | 1990-1993 | 4 | A/N | O | | 29 |
| Child3 Birth Date | Child's date of birth. | 1994-2001 | 8 | Date | O | | 29 |
| Child4 Last Name | Child's Last Name. | 2002-2021 | 20 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 29 |
| Child4 First Name | Child's First Name. | 2022-2036 | 15 | A/N | CR | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. Required if there is any other data present for Child 4. | 29 |
| Child4 Middle Name | Child's Middle Name or Initial. | 2037-2051 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and apostrophes are allowed. | 29 |
| Child 4 Name Suffix | Child's Name Suffix. | 2052-2055 | 4 | A/N | O | | 29 |
| Child4 Birth Date | Child's date of birth. | 2056-2063 | 8 | Date | O | | 29 |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Child5 Last Name | Child's Last Name. | 2064-2083 | 20 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 29 |
| Child5 First Name | Child's First Name. | 2084-2098 | 15 | A/N | CR | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. Required if there is any other data present for Child 5. | 29 |
| Child5 Middle Name | Child's Middle Name or Initial. | 2099-2113 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and apostrophes are allowed. | 29 |
| Child 5 Name Suffix | Child's Name Suffix. | 2114-2117 | 4 | A/N | O | | 29 |
| Child5 Birth Date | Child's date of birth. | 2118-2125 | 8 | Date | O | | 29 |
| Child6 Last Name | Child's Last Name. | 2126-2145 | 20 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 29 |
| Child6 First Name | Child's First Name. | 2146-2160 | 15 | A/N | CR | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. Required if there is any other data present for Child 6. | 29 |
| Child6 Middle Name | Child's Middle Name or Initial. | 2161-2175 | 15 | A/N | O | Letters A-Z or spaces. No special characters. Hyphens and apostrophes are allowed. | 29 |
| Child 6 Name Suffix | Child's Name Suffix. | 2176-2179 | 4 | A/N | O | | 29 |
| Child6 Birth Date | Child's date of birth. | 2180-2187 | 8 | Date | O | | 29 |
| Filler | Future Use | 2188-2245 | 58 | A/N | O | | N/A |

**TRAILER RECORD LAYOUT FOR THE**
**e-IWO DETAIL RECORD**

| Field Name | Location | Length | Type | Required/Optional | Comments |
|---|---|---|---|---|---|
| Trailer Document Code | 1-3 | 3 | A | R | Must be TRL |
| Record Identifier | 4-7 | 4 | A/N | R | Only value for field: EIWO |
| Total Record Count | 8-13 | 6 | N | R | Total Number of e-IWO Records in this file. |
| Original Records | 14-19 | 6 | N | O | Number of Original Records |
| Amended Records | 20-25 | 6 | N | O | Number of Amended Records |
| Termination Records | 26-31 | 6 | N | O | Number of Termination Records |
| Filler | 32-2245 | 2214 | A/N | O | Filler |

The "**e-IWO Read Receipt Record**"

The e-IWO process includes two acknowledgement records. The first record, titled "File Receipt," is simply an electronic acknowledgement that the employer received the file sent by the child support agency. It does **not** contain any information about the number of records processed, accepted or rejected nor does it contain any information about the individual records, e.g., employee no longer there. This acknowledgement is returned to the child support agency by the employer as soon as possible after receipt of the file. Below is the "File Receipt" record layout:

## e-IWO FILE RECEIPT RECORD

| Field Name | Location | Length | Type | Required/Optional | Comments |
|---|---|---|---|---|---|
| Required Acknowledgement Document Code | 1-3 | 3 | A | R | Value must be "RCD" |
| Record Control Number | 4-12 | 9 | A/N | R | Value, assigned by the state tribe or territory in their submission that uniquely identifies the records in the "batch" or "file" they submitted. |
| Employer Name | 13-69 | 57 | A/N | R | |
| EIN Text | 70-78 | 9 | N | R | |
| Payroll Processor EIN Text | 79-87 | 9 | N | O | |
| Receipt Date | 88-95 | 8 | N | R | The date the employer/payroll processor retrieved the file Must be in Y2K format - CCYYMMDD |
| State FIPS Code (from State File) | 96-97 | 2 | N | R | Use two digit state/territory state FIPS Code |

| File Creation Date (from State File) | 98-105 | 8 | N | R | Must be in Y2K format - CCYYMMDD |
|---|---|---|---|---|---|
| File Creation Time (from State File) | 106-111 | 6 | N | R | Must be in HHMMSS format. |
| Filler | 112-160 | 49 | A/N | O | Filler |

The "**e-IWO Acknowledgement Record"**

The second notification from an employer to a state, tribe or territory is the "Acknowledgement" record. This is used by employers to transmit information about the disposition of every income withholding order sent by a state to an employer. This record contains the information necessary to advise the child support agency if the income withholding were implemented or rejected. This record is also used by employers to notify a state tribe or territory that an NCP is no longer in their employ or that a "Lump Sum" or "Bonus" payment will be made shortly. This acknowledgement significantly reduces the need for the child support agency to communicate with the employer to inquire as to the status of a recently sent e-IWO, for the employer to generate and mail paper notification of a termination or a "Lump Sum" payment. It is a time saver for employers and states alike.

Below is the Flat File "Acknowledgement" record (including the Header and Trailer).

## HEADER RECORD LAYOUT FOR THE ACKNOWLEDGEMENT e-IWO RECORD

| Field Name | Location | Length | Type | Required/Optional | Comments |
|---|---|---|---|---|---|
| Header Document Code | 1-3 | 3 | A | R | Must be HDR |
| Record Control Number | 4-12 | 9 | A/N | R | Value, assigned by the state, tribe or territory that uniquely identifies the records in this "batch" or "file" |
| State FIPS Code | 13-14 | 2 | N | R | Use two digit state/territory state FIPS Code |
| Employer Name | 15-71 | 57 | A/N | R | |
| EIN Text | 72-80 | 9 | N | R | |

| | | | | | |
|---|---|---|---|---|---|
| Payroll Processor EIN Text | 81-89 | 9 | N | O | |
| File Creation Date | 90-97 | 8 | N | R | Must be in Y2K format - CCYYMMDD |
| File Creation Time | 98-103 | 6 | N | R | Must be in HHMMSS format. |
| Filler | 104-485 | 382 | A/N | O | Filler |

# e-IWO Acknowledgement Record

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Document Code | A code that indicates the acknowledgement record follows. | 1-3 | 3 | A/N | R | Value must be "ACK" | N/A |
| Document Action Code | A code that indicates the action for the document. | 4-6 | 3 | A/N | R | Valid Values:<br>ORG =Original – The value input by the state, tribe or territory in the "Order/Notice".<br>AMD =Amended – The value input by the state, tribe or territory in the "Order/Notice".<br>TRM =Termination – The value input by the state, tribe or territory in the "Order/Notice".<br>LUM = Lump Sum – The value input by the state, tribe or territory in the "Order/Notice".<br>EMP = Action initiated by an employer.  For example, if the NCP is no longer employed at this employer, EMP would be input and a value of "T" would be placed in the "Record Disposition Code" – positions 154-155.  Also if an employer is notifying a state, tribe or territory about a pending "Lump Sum" they would input EMP and put an "L" in the "Record Disposition Code", positions 154-155. | 1b |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Case Identifier | A case identifier is a value assigned by a state to uniquely identify each IV-D case in the state. | 7-21 | 15 | A/N | R | Must be the IV-D Case ID submitted for all external FPLS sources, FCR, etc. | 1g, 3c, 21-1 |
| EIN Text | The employer/ withholder's FEIN. | 22-30 | 9 | N | R | | 2d |
| Employee Last Name | The Obligor's Last Name. | 31-50 | 20 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. At least the first character must be filled. Cannot be all spaces or blanks. | 3a |
| Employee First Name | The Obligor's First Name. | 51-65 | 15 | A/N | R | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. At least the first character must be filled. | 3a-1 |
| Employee Middle Name | The Obligor's Middle Name or Initial. | 66-80 | 15 | A/N | O | Letters A-Z or spaces. No special characters or imbedded spaces. Hyphens and apostrophes are allowed. | 3a-2 |
| Employee Name Suffix | The Obligor's Name Suffix. | 81-84 | 4 | A/N | O | | 3a-3 |
| Employee SSN | The Obligor's Social Security number. | 85-93 | 9 | N | R | | 3b |
| Document Tracking Number | An identifier assigned by the entity sending the document that uniquely identifies the document. | 94-123 | 30 | A/N | O | First 2 digits must begin with numeric FIPS State Code. | 29 |
| Order Identifier | A unique identifier that is associated with a specific child support obligation within a case. | 124-153 | 30 | A/N | O | | 29 |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| Record Disposition Status Code | Indicates whether a record was accepted or rejected by the employer. | 154-155 | 2 | A/N | R | Values are: A = Record Accepted<br>R = Record Rejected<br>T = Termination<br>L = Lump Sum | N/A |
| Rejected Reason Code | Reason that an employer rejected an e-IWO record. | 156-158 | 3 | A/N | CR | Only required to be completed if the value in "Record Disposition Status" equals "R"<br><br>Values are:<br>N=NCP no longer at the employer<br>U=NCP not know to employer<br>D= Duplicate IWO<br>Z= Termination cannot be processed – no current IWO in place<br>O=Other Reason | N/A |
| Filler | Reserved for future use. | 159-159 | 1 | A/N | O | | N/A |
| Termination Date | Date that an employee left or was terminated by an employer. | 160-167 | 8 | N | O | Must be in CCYYMMDD format | N/A |
| NCP Last Known Address Line 1 Text | Line 1 of the NCP's last known Address. | 168-192 | 25 | A/N | O | | N/A |
| NCP Last Known Address Line 2 Text | Line 2 of the NCP's last known Address. | 193-217 | 25 | A/N | O | | N/A |
| NCP Last Known Address City Name | NCP's last known city Address. | 218-239 | 22 | A/N | O | | N/A |
| NCP Last Known Address State Code | NCP's last known State Code. | 240-241 | 2 | A | O | Valid 2 alpha State Code | N/A |
| NCP Last Known Address Zip Code | NCP's last known address five digit Zip Code. | 242-246 | 5 | N | O | | N/A |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| NCP Last Known Address Ext Zip Code | NCP's last known four character Zip Code | 247-250 | 4 | A/N | O | | N/A |
| Final Payment Made Date | Date of the final payment sent to the SDU. | 251-258 | 8 | N | O | Must be in CCYYMMDD format | N/A |
| Final Payment Amount | Amount of the final payment sent to the SDU – only applies when an employee has been terminated or left his/her employer. | 259-269 | 11 | N | R | Numeric Decimal assumed Unsigned No Rounding Right Justify Zero Fill to left Zero Fill if N/A | N/A |
| New Employer Name | Name of NCP's New Employer. | 270-326 | 57 | A/N | O | | N/A |
| New Employer Address Line 1 Text | Line 1 of New Employer's Address. | 327-351 | 25 | A/N | O | | N/A |
| New Employer Address Line 2 Text | Line 2 of New Employer's Address. | 352-376 | 25 | A/N | O | | N/A |
| New Employer City Name | New Employer's City Address. | 377-398 | 22 | A/N | O | | N/A |
| New Employer State Code | New Employer's State Code. | 399-400 | 2 | A | O | Valid 2 alpha State Code | N/A |
| New Employer Address Zip Code | New Employer's five character Zip Code. | 401-405 | 5 | N | O | | N/A |
| New Employer Address Ext Zip Code | New Employer's four character Zip Code. | 406-409 | 4 | A/N | O | | N/A |
| Payment "Lump Sum" Date | The date an employer anticipates that a "Lump" Sum Payment will be disbursed to an employee. | 410-417 | 8 | N | O | Must be in CCYYMMDD format | #6 on the back of the "Order/ Notice" |

| Data Element Name | Definition | Location | Length | Type | Required/ Optional | Data Element Rules | Form XRef |
|---|---|---|---|---|---|---|---|
| | | | | | | | form |
| Payment "Lump Sum" Amount | An amount the employer intends to issue as a Lump Sum Payment to the employee. | 418-428 | 11 | N | O | Numeric Decimal assumed Unsigned No Rounding Right Justify Zero Fill to left Zero Fill if N/A | #6 on the back of the "Order/ Notice" form |
| Payment "Lump Sum" Type Text | The type of Lump Sum Payment that will be disbursed to an employee. Examples of a Lump Sum Payment include bonus, severance, commission, etc. | 429-463 | 35 | A/N | O | Possible values are "bonus", "severance" or other unique identifiers. | #6 on the back of the "Order/ Notice" form |
| Filler | Future Use | 464-485 | 22 | A/N | O | | N/A |

O=Optional
R=Required
CR= Conditionally Required – Explanation in the Data Element Rules column

## TRAILER RECORD LAYOUT FOR THE ACKNOWLEDGEMENT e-IWO RECORD

| Field Name | Location | Length | Type | Required/Optional | Comments |
|---|---|---|---|---|---|
| Trailer Document Code | 1-3 | 3 | A | R | Must be TRL |
| Record Identifier | 4-7 | 4 | A/N | R | Only value for field: EIWO |

| Record Count | 8-13 | 6 | N | R | Number of e-IWO Records in this file. |
|---|---|---|---|---|---|
| Filler | 14-485 | 472 | N | O | Filler |

# Appendix B
# Business Rules for "Original," "Amended," "Termination" and "Lump Sum" for the Order/Notice To Withhold Income For Child Support

Attached are draft Business Rules for the "Original," "Amended," "Termination" and "Lump Sum" conditions found near the top of the Order/Notice form (the Lump Sum is on the back of the form) for income withholding. In drafting these Business Rules, the primary objective is to implement the Order/Notice to Withhold Income for Child Support sent to employers.

| Rule # | Order/Notice Exists at the Employer For The NCP | Employer Receives This Order/Notice | Conditions | Business Rule and Recommended Action(s) |
|---|---|---|---|---|
| 1. | None | Original | None | Implement the Order/Notice to Withhold Income for Child Support. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 2. | None | Amended | None | Implement the Order/Notice to Withhold Income for Child Support. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 3. | None | Termination | None | Return an ACK record with an "R" in the Record Disposition Status Code field and a "Z" in the Rejected Reason Code field. This will advise the state that the employer cannot process the termination because there |

**"ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT**

| Rule # | Order/Notice Exists at the Employer For The NCP | Employer Receives This Order/Notice | Conditions | Business Rule and Recommended Action(s) |
|---|---|---|---|---|
| | | | | is no current Order/Notice to Withhold Income for Child Support in place for this NCP with this Case/Order Identifier combination. |
| 4. | None | Lump Sum | None | Implement the Order/Notice to Withhold Income from an anticipated "Lump Sum" amount. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 5. | Original | Original | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Replace the current Order/Notice to Withhold Income for Child Support with the one being sent. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| | | | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement a new (additional) Order/Notice to Withhold Income for Child Support based on the information in the DTL record. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 6. | Original | Amended | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Replace the current Order/Notice to Withhold Income for Child Support with the one being sent. Return an ACK record with an "A" in the Record Disposition Status Code field. |

**"ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT**

| Rule # | Order/Notice Exists at the Employer For The NCP | Employer Receives This Order/Notice | Conditions | Business Rule and Recommended Action(s) |
|---|---|---|---|---|
| | | | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement a new (additional) Order/Notice to Withhold Income for Child Support based on the information in the DTL record. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 7. | Original | Termination | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Terminate the current Order/Notice to Withhold Income for Child Support. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| | | | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not** on file: | Do **not** terminate the existing Order/Notice to Withhold Income for Child Support. Return an ACK record with an "R" in the Record Disposition Status Code field and a "Z" in the Rejected Reason Code field. This will advise the state that the employer cannot process the termination because there is no current Order/Notice to Withhold Income for Child Support in place for this NCP with this Case/Order Identifier combination. |
| 8. | Original | Lump Sum | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Implement the Order/Notice to Withhold Income from an anticipated lump sum amount. Leave the current Order/Notice to Withhold Income for Child Support in place – i.e., regular deductions continue. Return an ACK record with an "A" in the |

| Rule # | Order/Notice Exists at the Employer For The NCP | Employer Receives This Order/Notice | Conditions | Business Rule and Recommended Action(s) |
|---|---|---|---|---|
| | | | | Record Disposition Status Code field. |
| 9. | Original | Lump Sum | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement the Order/Notice to Withhold Income from an anticipated lump sum amount. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 10. | Amended | Original | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Replace the current Order/Notice to Withhold Income for Child Support with the one being sent. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| | | | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement a new (additional) Order/Notice to Withhold Income for Child Support based on the information in the DTL record. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 11. | Amended | Amended | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Replace the current Order/Notice to Withhold Income for Child Support with the one being sent. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| | | | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement a new (additional) Order/Notice to Withhold Income for Child Support based on the information in the DTL record. Return an ACK record with an "A" in the Record Disposition Status Code field. |

Table title: "ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT

| | **"ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS**<br>**FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT** | | | |
|---|---|---|---|---|
| **Rule #** | **Order/Notice Exists at the Employer For The NCP** | **Employer Receives This Order/Notice** | **Conditions** | **Business Rule and Recommended Action(s)** |
| 12. | Amended | Termination | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Terminate the Order/Notice to Withhold Income for Child Support.<br><br>Return an ACK record with an "A" in the Record Disposition Status Code field. |
| | | | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not** on file: | Do **not** terminate the existing Order/Notice to Withhold Income for Child Support.<br><br>Return an ACK record with an "R" in the Record Disposition Status Code field and a "Z" in the Rejected Reason Code field.<br><br>This will advise the state that the employer cannot process the termination because there is no current Order/Notice to Withhold Income for Child Support in place for this NCP with this Case/Order Identifier combination. |
| 13. | Amended | Lump Sum | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are the **same** as the ones on file: | Implement the Order/Notice to Withhold Income from an anticipated lump sum amount and LEAVE the current Order/Notice to Withhold Income for Child Support in place – i.e., regular deductions continue.<br><br>Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 14. | Amended | Lump Sum | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in | Implement the Order/Notice to Withhold Income from an anticipated lump sum amount. |

| | **"ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT** | | | |
|---|---|---|---|---|
| **Rule #** | **Order/Notice Exists at the Employer For The NCP** | **Employer Receives This Order/Notice** | **Conditions** | **Business Rule and Recommended Action(s)** |
| | | | the DTL record) are **not the same** as the ones on file: | Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 15. | Termination | Original | None | Implement the Order/Notice to Withhold Income for Child Support.<br><br>Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 16. | Termination | Amended | None | Implement the Order/Notice to Withhold Income for Child Support.<br><br>Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 17. | Termination | Termination | None | Return an ACK record with an "R" in the Record Disposition Status Code field and a "Z" in the Rejected Reason Code field.<br><br>This will advise the state that the employer cannot process the termination because there is no current Order/Notice to Withhold Income for Child Support in place for this NCP with this Case/Order Identifier combination. |

| | **"ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT** | | | |
|---|---|---|---|---|
| **Rule #** | **Order/Notice Exists at the Employer For The NCP** | **Employer Receives This Order/Notice** | **Conditions** | **Business Rule and Recommended Action(s)** |
| 18. | Termination | Lump Sum | None | Implement the Order/Notice to Withhold Income from an anticipated lump sum amount. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 19. | Lump Sum | Original | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **the same** as the ones on file: | Implement the Order/Notice to Withhold Income for Child Support. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 20. | Lump Sum | Original | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement the Order/Notice to Withhold Income for Child Support. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 21. | Lump Sum | Amended | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **the same** as the ones on file: | Implement the Order/Notice to Withhold Income for Child Support. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |

| Rule # | Order/Notice Exists at the Employer For The NCP | Employer Receives This Order/Notice | Conditions | Business Rule and Recommended Action(s) |
|---|---|---|---|---|
| | | | **"ORIGINAL," AMENDED," "TERMINATION" AND "LUMP SUM" CONDITIONS FOR ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT** | |
| 22. | Lump Sum | Amended | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Implement the Order/Notice to Withhold Income for Child Support. Return an ACK record with the appropriate Record Disposition Status Code and Rejected Reason Code values (if record is rejected). |
| 23. | Lump Sum | Termination | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **the same** as the ones on file: | Terminate the Order/Notice to Withhold Income for Child Support, if one exists. Return an ACK record with an "A" in the Record Disposition Status Code field. |
| 24. | Lump Sum | Termination | If the Case Identifier (positions 88-102 in DTL record) and Order Identifier (positions 1578-1607 in the DTL record) are **not the same** as the ones on file: | Do **not** terminate the existing Order/Notice to Withhold Income for Child Support. Return an ACK record with an "R" in the Record Disposition Status Code field and a "Z" in the Rejected Reason Code field. This will advise the state that the employer cannot process the termination because there is no current Order/Notice to Withhold Income for Child Support in place for this NCP with this Case/Order Identifier combination. |

# APPENDIX C
☐ ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT
☐ NOTICE OF AN ORDER TO WITHHOLD INCOME FOR CHILD SUPPORT

☐**Original**    ☐**Amended**   ☐**Termination**  **Date:**_____
☐**State/Tribe/Territory**_____
  **City/Co./Dist./Reservation**_____
☐**Non-governmental entity or Individual** _____
  **Case Number**_____

_____   RE**:**_____
    Employer's/Withholder's Name           Employee's/Obligor's Name (Last, First, MI)

_____
    Employer's/Withholder's Address         Employee's/Obligor's Social Security Number

_____
                             Employee's/Obligor's Case Identifier

_____
Employer's/Withholder's Federal EIN Number (if known)      Obligee's Name (Last, First, MI)

***ORDER INFORMATION****:* This document is based on the support or withholding order from _____**.**
You are required by law to deduct these amounts from the employee's/obligor's income until further notice.
$_____ Per _____ current child support
$_____ Per _____ past-due child support - Arrears greater than12 weeks? ☐yes ☐no
$_____ Per _____ current cash medical support
$_____ Per _____ past-due cash medical support
$_____ Per _____ spousal support
$_____ Per _____ past-due spousal support
$_____ Per _____ other (specify) _____
for a total of $_____ per _____to be forwarded to the payee below.
You do not have to vary your pay cycle to be in compliance with the support order.  If your pay cycle does not match the ordered payment cycle, withhold one of the following amounts:
**$**_____per weekly pay period.            **$**_____per semimonthly pay period (twice a month).
**$**_____per biweekly pay period (every two weeks).**$**_____per monthly pay period.

***REMITTANCE INFORMATION****:* When remitting payment, provide the pay date/date of withholding and the case identifier.  If the employee's/obligor's principal place of employment is _____, begin withholding no later than the first pay period occurring_____ days after the date of _____.  Send payment within_working days of the pay date/date of withholding.  The total withheld amount, including your fee, may not exceed_____% of the employee's/obligor's aggregate disposable weekly earnings.

If the employee's/obligor's principal place of employment is not _____, for limitations on withholding, applicable time requirements, and any allowable employer fees, follow the laws and procedures of the employee's/obligor's principal place of employment (see #3 and #9, ADDITIONAL INFORMATION TO EMPLOYERS AND OTHER WITHHOLDERS).

Make check payable to: (Payee and Case identifier)_____Send check to: _____. If remitting payment by EFT/EDI, call _____before first submission.  Use this FIPS code:_____:
Bank routing number: _____Bank account number:_____.

| **If this is an Order/Notice to Withhold:** | **If this is a Notice of an Order to Withhold:** |
|---|---|

Print Name _____   Print Name_____
Title of Issuing Official_____Mandatory_____   Title (if appropriate)_____
Signature and Date _____   Signature and Date_____
☐ IV-D Agency  ☐Court          ☐ Attorney ☐Individual ☐Private Entity
☐ Attorney with authority under state law to issue order/notice.
**NOTE:** Non-IV-D Attorneys, individuals, and non-governmental entities must submit a Notice of an Order to Withhold and include a copy of the income withholding order unless, under a state's law, an attorney in that state may issue an income withholding order.  In that case, the attorney may submit an Order/Notice to Withhold and include a copy of the state law

**IMPORTANT:  The person completing this form is advised that the information on this form may be shared with the obligor.**
**OMB 0970-0154**

authorizing the attorney to issue an income withholding order/notice.

## ADDITIONAL INFORMATION TO EMPLOYERS AND OTHER WITHHOLDERS

☐ If checked, you are required to provide a copy of this form to your employee/obligor.  If your employee works in a state that is different from the state that issued this order, a copy must be provided to your employee/obligor even if the box is not checked.

1. **Priority:**  Withholding under this Order or Notice has priority over any other legal process under state law (or tribal law, if applicable) against the same income.  If there are federal tax levies in effect, please notify the contact person listed below. (See 10 below.)

2. **Combining Payments:** You may combine withheld amounts from more than one employee's/obligor's income in a single payment to each agency/party requesting withholding.  You must, however, separately identify the portion of the single payment that is attributable to each employee/obligor.

**3.** **Reporting the Paydate/Date of Withholding:** You must report the paydate/date of withholding when sending the payment. The paydate/date of withholding is the date on which the amount was withheld from the employee's wages.  You must comply with the law of the state of employee's/obligor's principal place of employment with respect to the time periods within which you must implement the withholding and forward the support payments.

4. **Employee/Obligor with Multiple Support Withholdings:** If there is more than one Order or Notice against this employee/obligor and you are unable to honor all support Orders or Notices due to federal, state, or tribal withholding limits, you must follow the state or tribal law/procedure of the employee's/obligor's principal place of employment.  You must honor all Orders or Notices to the greatest extent possible. (See 9 below.)

5. **Termination Notification:** You must promptly notify the Child Support Enforcement (IV-D) Agency and/or the contact person listed below when the employee/obligor no longer works for you.  Please provide the information requested and return a complete copy of this Order or Notice to the Child Support Enforcement (IV-D) Agency and/or the contact person listed below. (See 10 below.)
   **THE EMPLOYEE/OBLIGOR NO LONGER WORKS FOR:**
   **EMPLOYEE'S/OBLIGOR'S NAME:**                                        **CASE IDENTIFIER:**
   **DATE OF SEPARATION FROM EMPLOYMENT:**
   **LAST KNOWN HOME ADDRESS:**
   **NEW EMPLOYER/ADDRESS:**

6. **Lump Sum Payments:** You may be required to report and withhold from lump sum payments such as bonuses, commissions, or severance pay.  If you have any questions about lump sum payments, contact the Child Support Enforcement (IV-D) Agency.

7. **Liability:**  If you have any doubts about the validity of the Order or Notice, contact the agency or person listed below under 10.  If you fail to withhold income as the Order or Notice directs, you are liable for both the accumulated amount you should have withheld from the employee's/obligor's income and any other penalties set by state or tribal law/procedure.

8. **Anti-discrimination:**  You are subject to a fine determined under state or tribal law for discharging an employee/obligor from employment, refusing to employ, or taking disciplinary action against any employee/obligor because of a child support withholding.

9. **Withholding Limits:** For state orders, you may not withhold more than the lesser of: 1) the amounts allowed by the Federal Consumer Credit Protection Act (15 U.S.C. § 1673(b)); or 2) the amounts allowed by the state of the employee's/obligor's principal place of employment.  The federal limit applies to the aggregate disposable weekly earnings (ADWE).  ADWE is the net income left after making mandatory deductions such as: state, federal, local taxes, Social Security taxes, statutory pension contributions, and Medicare taxes. The Federal CCPA limit is 50% of the ADWE for child support and alimony, which is increased by 1) 10% if the employee does not support a second family; and/or 2) 5% if arrears greater than 12 weeks.
   For tribal orders, you may not withhold more than the amounts allowed under the law of the issuing tribe.  For tribal employers who receive a state order, you may not withhold more than the amounts allowed under the law of the state that issued the order.

   **Child(ren)'s Names and Additional Information**:

10. If you or your employee/obligor have any questions, contact                                        by telephone at
                      by Fax at            or by internet at                                        .

# APPENDIX D - COMMUNICATION

Once generated, e-IWO documents must be electronically transmitted from the state child support system to an employer. Employers must also have a mechanism to electronically transmit the "Read Receipt' and "Acknowledgement" records to a state, tribe or territory. At the present time there are several ways that this is accomplished, and these are described below. The first method (Alternative #1, below) utilizes the OCSE Network to transmit files from the state to employers, and is also used to send the "Read Receipt" and "Acknowledgement" records from an employer to a state. This method is currently used for the transmission of e-IWO related documents to the Defense Finance and Accounting Service (DFAS) and may be used for other large federal employers.

A second method (Alternative #2, below) involves a state, tribe or territory implementing their own communication methodology using File Transfer Protocol (FTP) with an employer(s). This solution involves the encryption of data from the state to the employer and vice versa. This solution is currently being used between states and private employers only.

Both of these alternatives have been used with "private sector" employers. As with Alternative #2, this solution is currently being used between states and private employers only.

# Alternative # 1

# e-IWO Communication Using the OCSE Network

## OCSE NETWORK ARCHITECTURE for e-IWO

The Office of Child Support Enforcement (OCSE) Network was designed in 1992 to support communications between remote child support enforcement (CSE) computer systems in 54 locations, including all 50 states, three territories (Virgin Islands, Puerto Rico, and Guam), and the District of Columbia.

In 1998, faced with aging and non-Y2K compliant components, OCSE management decided to completely redesign the network using current technology. The new OCSE Network was designed to provide availability, reliability, redundancy, scalability, and security. The design of the network replaced the old equipment with routers, uninterruptible power supplies (UPS), and modems, which greatly increased the reliability of the network. The wide area network (WAN) now uses frame-relay technology, and the local area network (LAN) at the sites located in Manassas, VA and Baltimore, MD now uses Fast Ethernet (100Mbps) technology. The Transmission Control Protocol/Internet Protocol (TCP/IP) suite is used on the network. It is this network that will transmit the e-IWO documents from the states to DFAS and other federal agencies. It will also route "Read Receipt" and "Acknowledgement" files from the DFAS and other federal agencies to the states.

Since this network transports sensitive data, many security features have been incorporated to limit system access. The primary goal of the security features is to protect the Data Exchange Process (DEP). The DEP consists of any resource that allows data to be exchanged between CSE computer systems. Network security and access to the network are discussed in greater detail in Section 2.4.

## 2.1 Description of the OCSE Network Architecture

The OCSE frame-relay network topology is a hub-and-spoke design, normally referred to as a star topology. This means that there are many outlying sites (remote locations) connected to a central site. The central site is referred to as the hub and the remote locations as spokes, similar to the wheel on a covered wagon. In the case of the OCSE Network there are two hubs, which make the design a dual-star topology. This topology allows connectivity between the two hubs and each remote location, as well as a direct communication path with each other. The hub sites provide a central location for both communications and data processing.

Manassas is the primary hub site and Baltimore is the alternate, or disaster recovery site. The Manassas site, which contains the primary server, runs all of the applications on the OCSE Network. In the event Manassas cannot provide normal data processing services, the Baltimore site automatically performs those actions.

### PRIMARY METHOD OF COMMUNICATIONS

The primary method of communications between sites is frame-relay services procured under the General Services Administration (GSA) Federal Technology Service contract (FTS2001) for telecommunication services. There are essentially 55 (all state and territories and DFAS) dissimilar networks connected to the OCSE Network with routers. These routers must have the mechanisms to get data efficiently through the network. Routing protocols provide this service, dynamically selecting the best path for data traversing a network. The Open Shortest Path First (OSPF) routing protocol is used on the OCSE Network. This protocol is ideal for stable networks, such as the OCSE Network.

As illustrated in Figure 2-1, each remote location has two communications paths, one to the Manassas hub and the other to the Baltimore hub. The exceptions are Guam and the Virgin Islands, which use analog circuits for their primary communications. The hub sites are connected to all remote locations by frame-relay permanent virtual circuits (PVCs), which are contained within the frame-relay circuit. They are also connected to each other by a frame-relay PVC. The use of redundant data links employed by the OCSE architecture improves the overall network reliability by eliminating a single-link point of failure for communications between the states and the hub sites.

**Figure 2-1: OCSE's Primary Method of Communications**
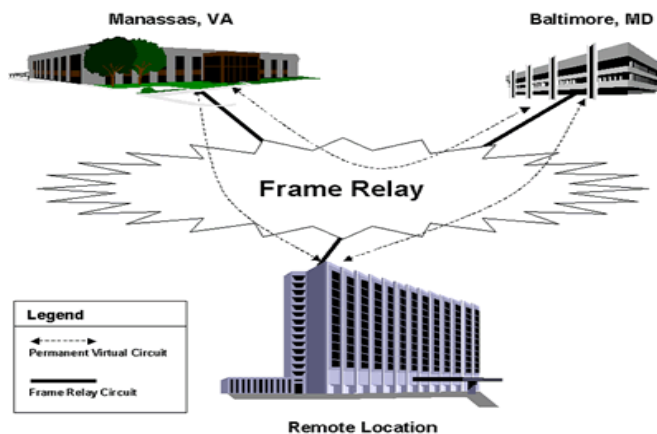
## ALTERNATE METHOD OF COMMUNICATIONS

The OCSE Network has an alternate method of communications between the remote and hub sites using analog communications. Analog communications are activated when both the primary (Manassas) and secondary (Baltimore) frame-relay PVC links fail and there is traffic destined for remote locations. The Cisco AS5300 Access Server automatically initiates a dial-on-demand routing (DDR) session to the affected router through analog telephone lines and modems. This method of communications is activated only for the duration of the data transfer, then disconnected until communications need to be reestablished. Analog communications are the primary communications method for Virgin Islands and Guam. Figure 2-2 illustrates the use of analog communications in the event that frame relay is not available.

**Figure 2-2: OCSE's Alternate Method of Communications**
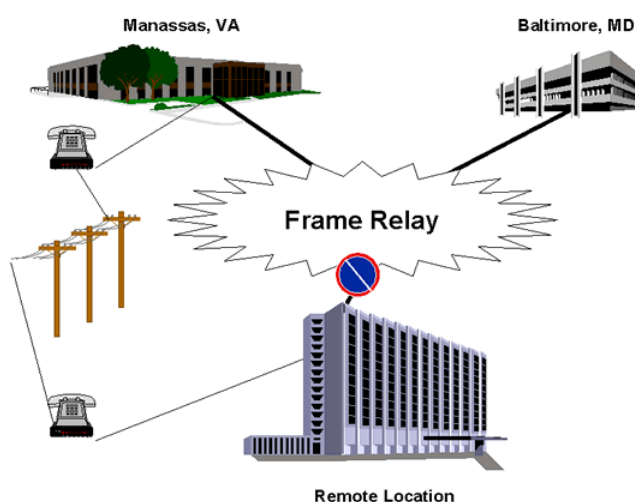


## REMOTE LOCATION NETWORK ARCHITECTURE

OCSE recognizes that network topologies differ from site to site; therefore, the network is designed to support various topologies. OCSE provides remote locations with the following equipment:

- a modem for connectivity to the Public Switched Telephone Network (PSTN);
- a UPS to prevent equipment from going down during short-term power outages;
- a router for communications over the WAN and communications to their local network; and
- a Data Service Unit (DSU) for connectivity to the frame-relay network, furnished by the FTS2001 network provider.

There are five options available for connecting to the OCSE Network:

- ▶ Router-to-Router;
- ▶ Router-to-Firewall;
- ▶ Router-to-FTP Server;
- ▶ Router-to-Hub (or switch); and
- ▶ Router-to-Host.

Each is illustrated in detail in the examples that follow.

### Router-to-Router (Option #1)

Figure 2-3 reflects the Router-to-Router option available to remote locations for connecting to the OCSE Network. Connections to the OCSE router using this option can be made using a serial, Ethernet, Fast Ethernet, or Token Ring interface.

**Figure 2-3: Router-to-Router Connectivity (Option #1)**
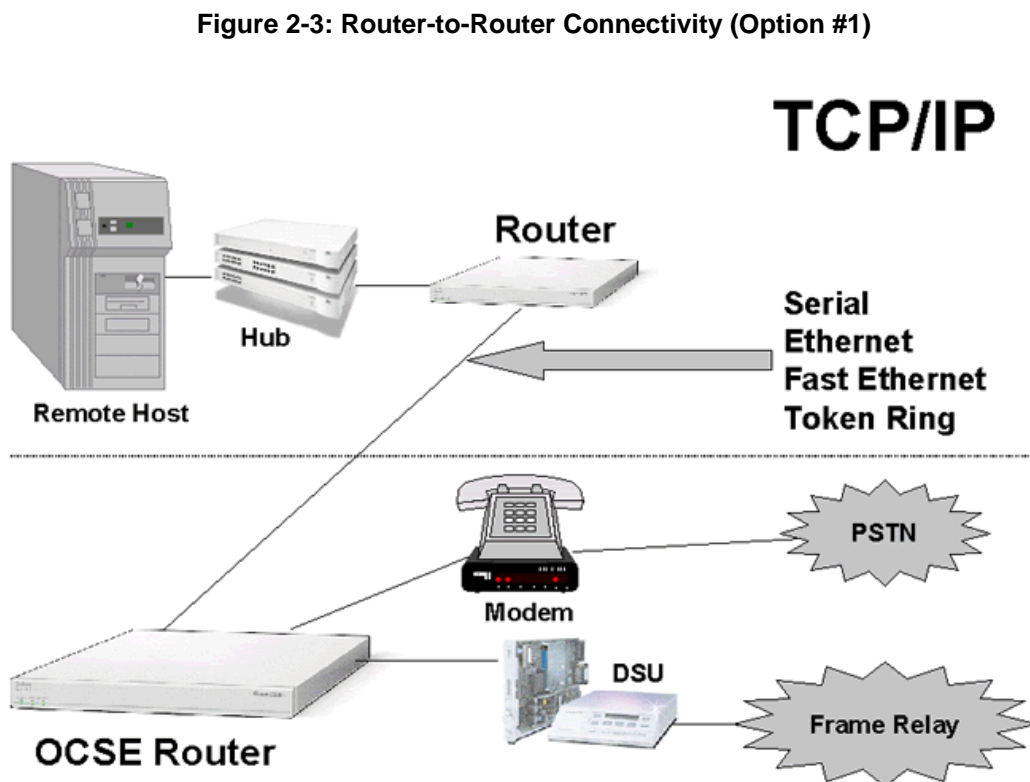


### Router-to-Firewall (Option #2)

Figure 2-4 reflects the Router-to-Firewall option available to remote locations for connecting to the OCSE Network. Connections to the OCSE router using this option can be made using an Ethernet, Fast Ethernet, or Token Ring interface.

**Figure 2-4: Router-to-Firewall Connectivity (Option #2)**
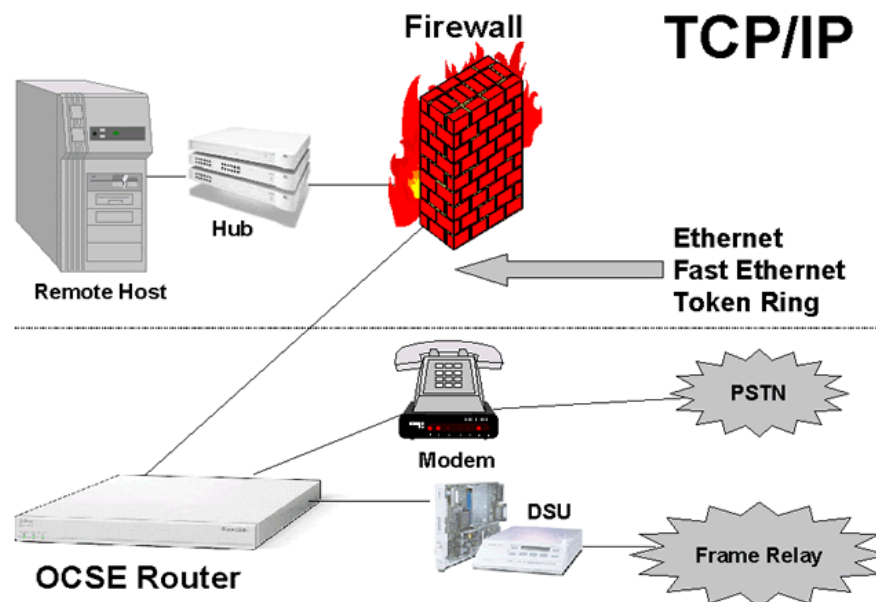


## Router-to-FTP Server (Option #3)

Figure 2-5 reflects the Router-to-FTP Server option available to remote locations for connecting to the OCSE Network. Connections to the OCSE router using this option can be made using an Ethernet, Fast Ethernet, or Token Ring interface.

**Figure 2-5: Router-to-FTP Server Connectivity (Option #3)**
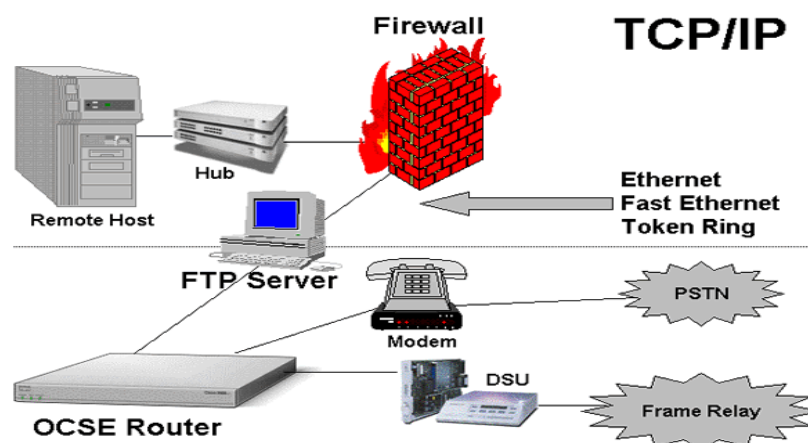
### Router-to-Hub (Option #4)

Figure 2-6 reflects the Router-to-Hub option available to remote locations for connecting to the OCSE Network. Connections to the OCSE router using this option can be made using an Ethernet, Fast Ethernet, or Token Ring interface.

**Figure 2-6: Router-to-Hub Connectivity (Option #4)**
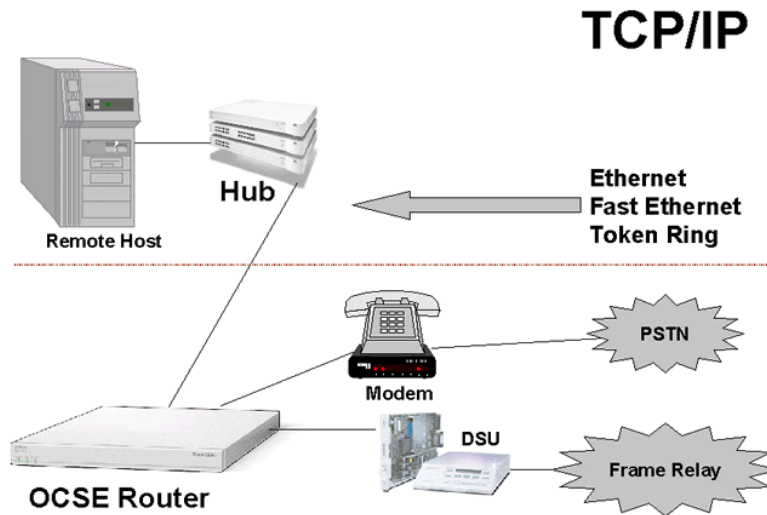


### Router-to-Host (Option #5)

Figure 2-7 reflects the Router-to-Host option available to remote locations for connecting to the OCSE Network. Connections to the OCSE router using this option can be made using an Ethernet, Fast Ethernet, or Token Ring interface.

**Figure 2-7: Router-to-Host Connectivity (Option #5)**
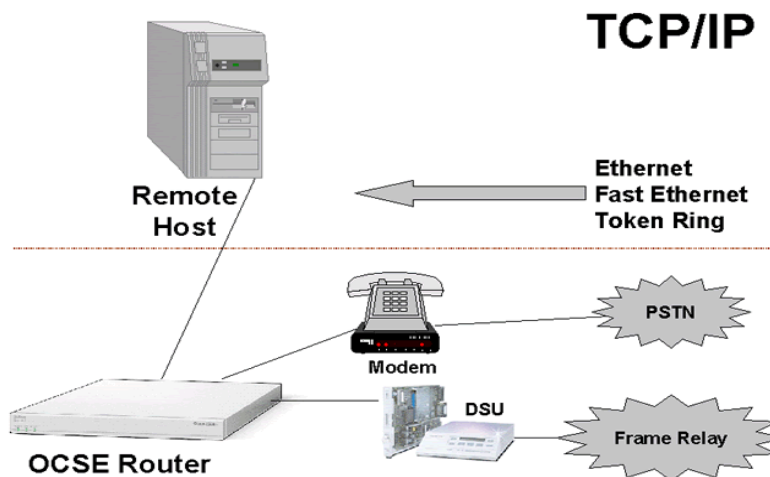
## MANASSAS NETWORK ARCHITECTURE

Figure 2-8 reflects the architecture of the primary processing site located in Manassas.

**Figure 2-8: Manassas Network Architecture**
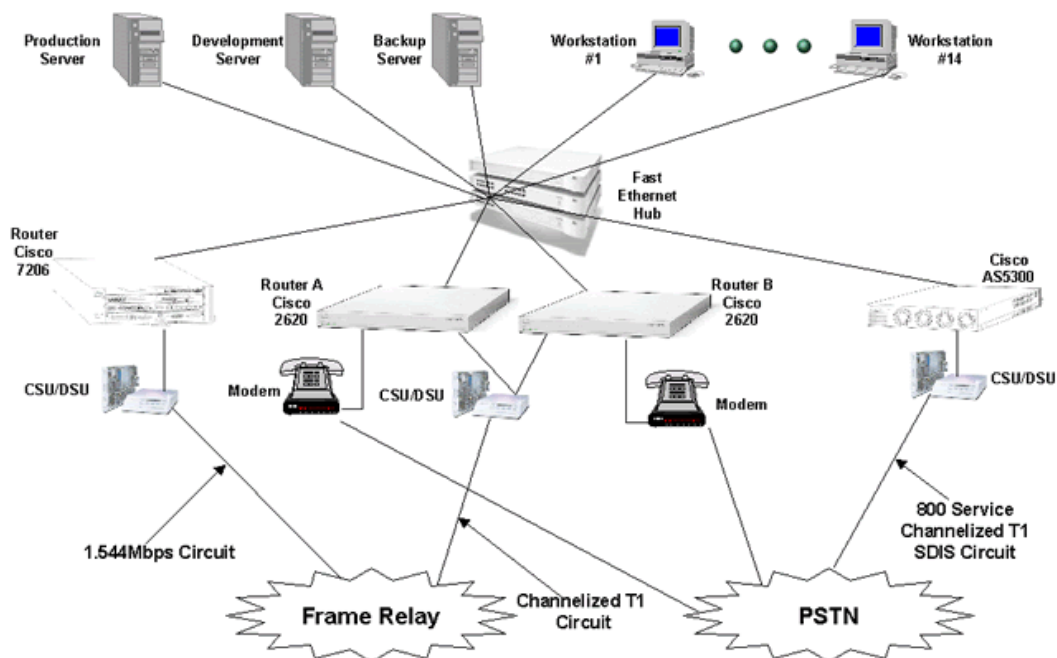


Of the three servers, the Production server is the primary server for transmitting e-IWO files and documents. The Development server is used for developing software and performing tests with the state CSE systems. The Backup server is used in the event the primary server malfunctions. This server allows for redundancy of server hardware, software, and operating system in Manassas. The Backup server is maintained as a mirror image of the Production server and assumes the Production server's role in the event of a system malfunction.

In addition to redundant hardware, all data on the Production server is archived on removable media (tape) once daily. The backup software has the ability to restore single files, multiple files, directories, drives, and volumes. Archived data can be restored to any server in the event of a serious malfunction. The current data retention period is 90 days.

The CSENet workstations in Manassas are used for software development, database administration, system administration, network administration, tape-backup administration, and testing.

A Cisco 7206 router is the primary communications gateway for the servers. The Cisco 2620 Router A is used as the primary communications gateway for the majority of workstations. Router B is used to simulate communications to remote CSE systems and to test router configurations before they are implemented on remote routers. A Channel Service Unit/Data Service Unit (CSU/DSU) is used for digital transmission of data over wide area networks. The Cisco AS5300 is the analog communications gateway and is used as an alternate method of communications.

## BALTIMORE NETWORK ARCHITECTURE

Baltimore, MD is the disaster recovery site for the e-IWO process. If something catastrophic happens to the Manassas site, the Baltimore hub takes over as the primary processing site, ensuring the continuous operations of the e-IWO document exchange process. The disaster recovery site has the same equipment configuration as the primary processing site, except for the Cisco 2620 routers and the workstations. The network architecture for the Baltimore hub is shown in Figure 2-9.

**Figure 2-9: Baltimore Network Architecture**
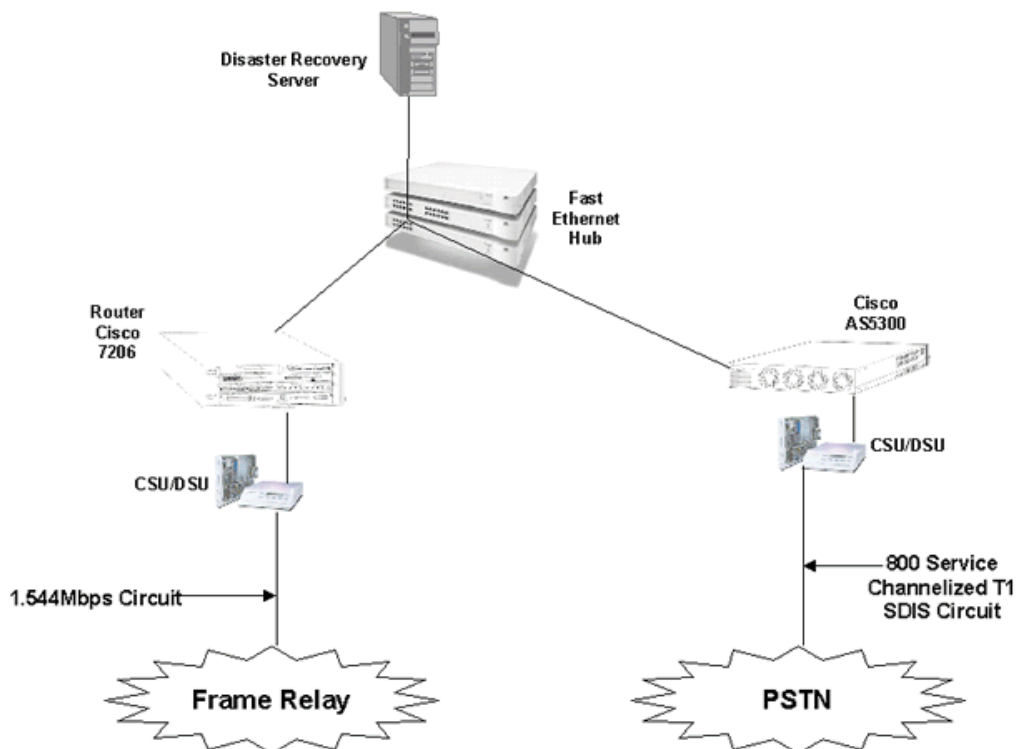


Continuous operation of applications from Baltimore is automated and therefore transparent to remote locations. Further, states are not required to make any system configuration changes to support processing from the Baltimore site.

## OCSE NETWORK TOPOLOGY

Figure 2-10 reflects the topology of the entire OCSE Network. This figure takes all the components discussed previously and displays them in one diagram.

**Figure 2-10: OCSE Network Architecture**
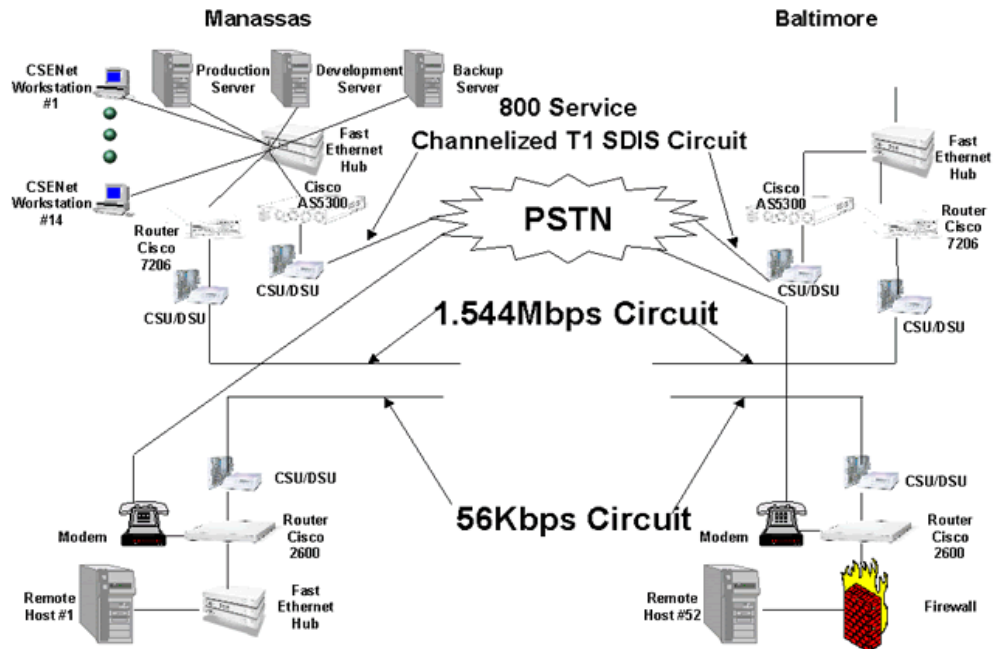


## 2.2 Network Reliability

Reliability is an important factor when designing any network. One key design feature of the OCSE Network that helps to ensure reliability is redundancy. There are many built-in mechanisms to automatically allow data to be transmitted, even when there is a problem on the network.

These redundant mechanisms include:

- multiple frame-relay paths to states;
- backup connectivity through analog communications;
- dual processing sites; and
- backup processing at the Manassas site.

Effective use of the TCP/IP protocol suite on the OCSE Network also facilitates network reliability. Further, a proactive network monitoring program also adds to the reliability of the system.

**OPEN-STANDARD PROTOCOLS**

A protocol is a set of rules governing the exchange of data between computing devices. The computer and telecommunications industries have established hundreds of standard communications protocols, referred to as open-standard protocols. The use of open-standard protocols, as opposed to proprietary protocols, ensures that data can be exchanged seamlessly without regard to manufacturer.

The OCSE Network uses industry-based open-standard protocols exclusively. For example, TCP/IP, an open-standard protocol, is used to support the communications of all the current applications running on the network. TCP/IP is widely available for most computer operating systems today and is the de facto standard for most data communications networks, including the Internet. TCP provides reliability for the TCP/IP suite of protocols.

The e-IWO process uses one application protocol for file transfer, File Transfer Protocol (FTP), a protocol that uses TCP/IP for communication with IBM mainframe computers. FTP is used in the OCSE environment to transfer or copy files between the OCSE servers and the remote hosts. It is one of the protocols in the TCP/IP protocol suite and operates on the Process/Application layer, as shown in Chart 2-1. The protocols in **bold text** are used in the file transfer process, using the FTP application. The OCSE Network has the ability to transfer data using other methods; however, remote locations are encouraged to use FTP.

**CHART 2-1: THE DoD REFERENCE MODEL**

| Layer | Protocol | | | |
|---|---|---|---|---|
| Process/Application | FTP | Telnet | TFTP | SNMP |
| | **TN3270E** | SMTP | NFS | X windows |
| Host-to-Host | **TCP** | | UDP | |
| Internet | ICMP | BootP | ARP | RARP |
| | **IP** | | | |
| Network Access | Ethernet | Fast Ethernet | Token Ring | Frame Relay |

**NETWORK MONITORING**

It is necessary to implement network and systems management to effectively administer and maintain a network. Software tools were developed to monitor the health of the network so that as potential problems develop, they can be addressed promptly. This monitoring consists of periodically executing a program that has the ability to check connectivity between:

- ▶ the hub networks and remote networks;
- ▶ the hub servers and remote CSE servers; and
- ▶ servers and workstations on the local area networks located in Manassas and Baltimore.

A number of Production and Disaster Recovery server resources are also monitored, such as memory, CPU, and disk utilization, to preclude any problems stemming from insufficient computing resources. The output of the program generates a report that is analyzed twice daily. Any network abnormalities identified in the reports are immediately investigated and appropriate corrective action is taken.

## 2.3 Network Capability

The OCSE Network has the ability to accommodate data, voice, and video services to states, territories, and the District of Columbia. The service being used under the current configuration is data. In the event that our mission requirements change to necessitate inclusion of voice or video, either service can be easily implemented.

## CURRENT UTILIZATION OF THE NETWORK

It is essential to assess network utilization in order to optimize network performance. There are a number of network-management tools that obtain and record current network utilization. The Multi Router Traffic Grapher (MRTG) is one of the network management tools used in the OCSE Network. This tool monitors traffic on the WAN and provides statistics on a near real-time basis. This information is used to set up a baseline for normal operating conditions. In addition, it can be used to troubleshoot network problems by comparing the baseline to current network conditions. Finally, the tool can be used for determining additional bandwidth requirements on active frame-relay links.

## DATA COMPRESSION TECHNOLOGY

Because of its nature, bandwidth over the WAN is typically considerably less than the bandwidth of a typical LAN. Data compression is one mechanism used to optimize the data throughput over data links. This technology can be applied in a WAN environment to increase data throughput by reducing the payload, thereby allowing more data to be transmitted over a link. Additionally, data compression allows improved application performance and service availability for end users without having to upgrade the circuit. Tests have shown that the data transmission rates over a data link using compression can increase throughput by over 350%.

## HARDWARE DESIGN

In designing the OCSE Network infrastructure, hardware components were scrutinized in order to produce an adaptable and scalable network. The modular design of hardware incorporated in the network architecture, such as the Cisco routers and Compaq servers, provides a flexible platform to customize components according to specific requirements. Modular-designed devices are superior to fixed-configuration devices because they simplify and expedite repair, upgrade easily, and normally allow for interchanging components without disrupting service (e.g., hot-swapping). The network components discussed in this section are the Cisco routers and the OCSE servers. There are three types of Cisco routers used in OCSE Network environment:

- Cisco 2600 series router;
- Cisco 7206 router; and
- Cisco AS5300 Access Server.

### Cisco 2600 Series Router

The Cisco 2600 series router was selected for use in remote locations. The Cisco 2620 model is installed in all remote locations that have an Ethernet, Fast Ethernet, or serial network environment; the 2612 model is installed in the Token Ring network environment. All of the 2600 series routers have at least one 2-port WAN interface card installed for connection to the network. (Remote locations using a serial interface to connect to their LAN have two 2-port WAN interface cards installed.) Figure 2-11 shows the rear view of the Cisco 2620 and 2612 routers.

**Figure 2-11: Cisco 2620 - 2612 Router**
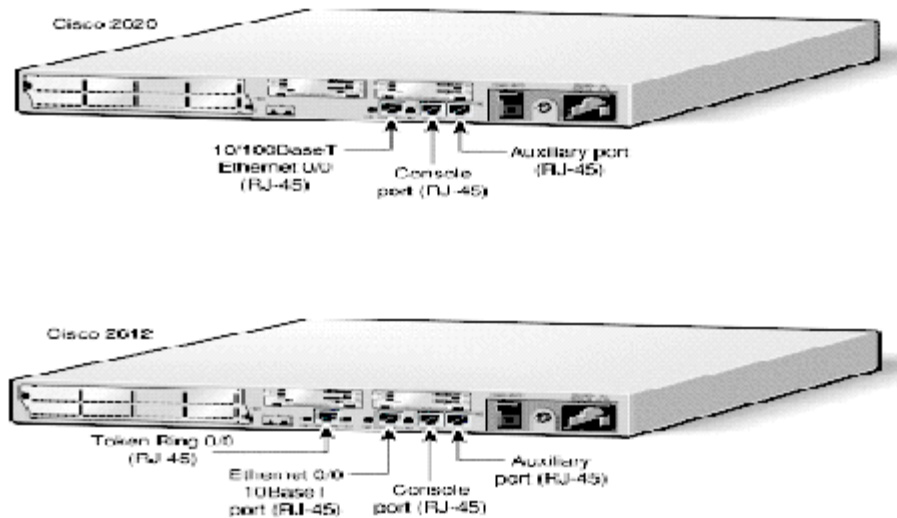


The Cisco 2600 series router provides the following features:

- two 2-port adapter slots;
- access control list security;
- analog and digital access services;
- multi-service voice/data integration;
- virtual private network (VPN) access; and
- routing with bandwidth management.

### Cisco 7206 Router

Since the hub sites are the central points for all network traffic, identical Cisco 7206 routers are installed at each to handle the heavy traffic generated on the network. An additional router is installed for backup at the Manassas site.

The routers contain dual, hot-swappable, load-sharing power supplies for redundancy. The Cisco Internetwork Operating System (IOS) version 12.0 (7) T is currently running on these routers. The input/output (I/O) controller card used is equipped with the optional Fast Ethernet port for connection to the OCSE LAN. Each of the three Cisco 7206 routers has a 4-port serial adapter card installed for connection to the OCSE Network.

There are currently five unused port adapter slots available for upgrading on the 7206 routers. These slots can be used for different interface modules such as asynchronous transfer mode (ATM), digital voice or video, Integrated Services Digital Network (ISDN), or Gigabit Ethernet.

### Cisco AS5300 Access Server

There are Cisco AS5300 Access Servers installed at each of the hub sites as shown in Figure 2-10. The AS5300 Access Server provides dial-up modem and routing functions in a single modular chassis. Currently the access server in Manassas is configured to automatically initiate

dial-backup connection to a Cisco 2600 router in a remote location in the event the frame-relay links go down. The AS5300 Access Server is also the primary communications means for Guam and the Virgin Islands, which are not directly connected to the network.

The access server has 48 internal modems to support dial backup connectivity through the PSTN. There are two Ethernet ports built into the access server, a 10BaseT and a combination 10/100BaseT. The AS5300 Access Server connects to the OCSE LAN through the 10/100BaseT Ethernet/Fast Ethernet port.

### OCSE Server

The Compaq Proliant 6000 Pentium II Xeon server used in the network architecture is a high-end system. There are currently four Compaq Proliant 6000 servers in the configuration. These servers are designated as Production, Backup, Development, and Disaster Recovery. Each server is equipped with dual 400 MHz Pentium II Xeon processors, 1.152 Gigabit (GB) of memory, three hot-swappable redundant power supplies, eight 18.2 GB SCSI hot-swappable hard drives and a three-channel Smart Array Redundant Array of Independent Disks (RAID) controller.

## 2.4 Network Security

A combination of safeguards has been incorporated to address the unique security requirements of the network. A private IP-addressing scheme, Network Address Translation (NAT), access control lists (ACLs), and authentication are mechanisms that are currently protecting the network. Encryption, though not currently being used, is an embedded capability that can also be implemented to protect sensitive e-IWO data.

### PRIVATE IP ADDRESSES

The network architecture is a private frame-relay network. In addition to the physical protection that this topology offers, the IP-addressing scheme used to exchange data over this network is also private. The implementation of private IP addressing is typical for a network that is not connected to a public network, such as the Internet, as shown in Figure 2-12. Private IP addressing provides security because public networks are not configured to route packets containing private IP addresses; they are also configured to drop inbound packets containing private IP addresses.

**Figure 2-12: Secure Private Network**
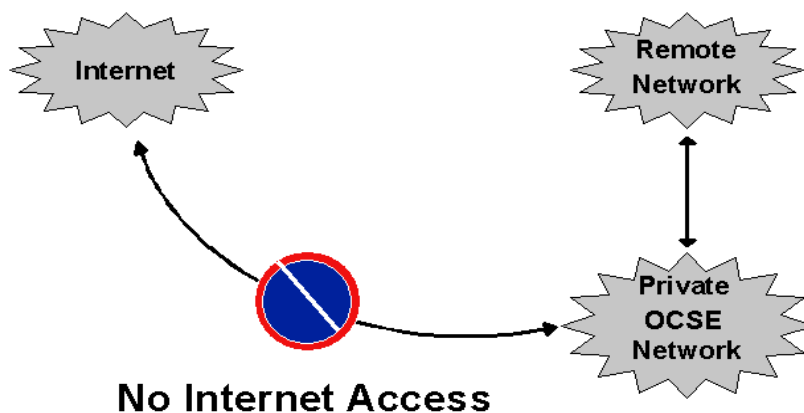
## NETWORK ADDRESS TRANSLATION

Network Address Translation (NAT) is a technology built into the router IOS that conceals internal addresses. It also enables seamless communications over the WAN between OCSE's private network and each of the 55 (all state and territories and DFAS) remote networks. The implementation of NAT on the network provides practical protection because the addresses it conceals are not needed by the remote locations. In this way, NAT does not hamper connectivity or the Data Exchange Process, but rather complements the e-IWO security.

## ACCESS CONTROL LISTS

Access control lists are features embedded in the Cisco router IOS used to filter out undesirable traffic. They do this by defining conditions for filtering packets into or out of the router interface. A filter examines specific types of packets that pass through an interface and permits or denies them based on the conditions defined in the ACLs. ACLs protect the OCSE Network by keeping potentially intrusive traffic off of the network.

ACLs work on the same principal as a firewall using the same filtering mechanisms. Only specified sources and types of traffic (protocols) explicitly called out are allowed to enter the network. They access the network through logical pinholes similar to those applied to a network firewall. All other traffic is implicitly denied.

Any traffic that does not meet the conditions specified in the ACL constitutes a violation of ACL parameters. In the OCSE Network, ACL violations are logged and this activity is analyzed daily. ACLs, which reside on the remote router interface, are used to selectively allow data transfers between only the OCSE server and the remote server. At the same time, the type of traffic allowed between those servers may be only Internet Control Message Protocol (ICMP), which is beneficial for troubleshooting, and File Transfer Protocol (FTP), which is used to transfer CSENet data.

Figure 2-13 shows how ACLs applied to the remote router interface scrutinize all traffic and allow only FTP or ICMP protocols to enter the network.

**Figure 2-13: Access Control List Operation**
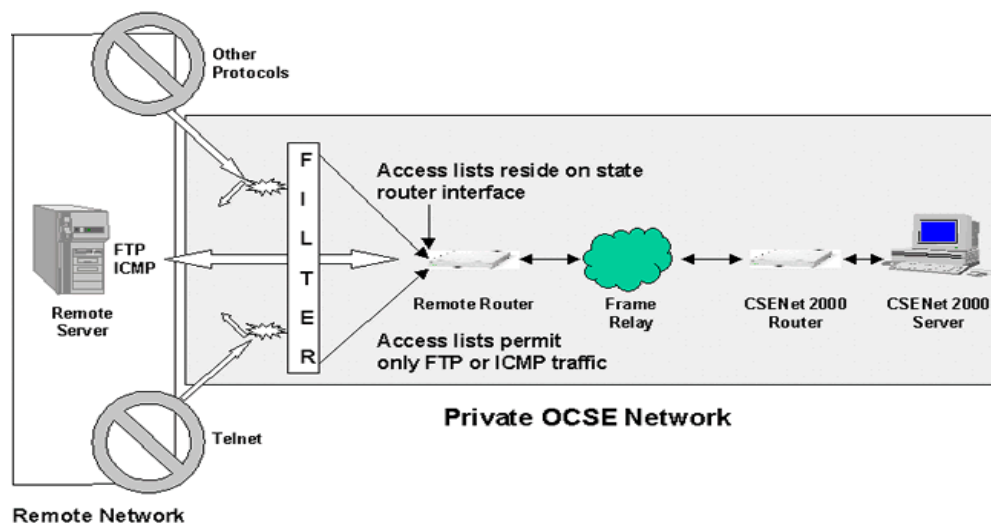
**AUTHENTICATION**

Authentication is the process of determining whether someone or something is who or what it is declared to be. The most simple form of authentication centers around logon ID and password usage. Knowledge of the password is assumed to guarantee that the user is authentic. The OCSE Network requires this level of authentication when accessing its servers, and a password is required prior to router access through the LAN or WAN.

The network requires users to be authenticated before they gain network access over dial lines. Within the Point-to-Point Protocol (PPP) used for analog connections there are two types of authentication: Password Authentication Protocol (PAP) or Challenge Handshake Authentication Protocol (CHAP). CHAP is used on the network to allow only the Cisco Access Server to connect over dial lines to a remote router.

**ENCRYPTION OVER THE WIDE AREA NETWORK CAPABILITY**

Encryption is the encoding of data with the intention that decoding be conducted by authorized individuals only. E-IWO routers ship with a standards-based capability to encrypt/decrypt all data. The current IOS version 12.0(7) T is capable of handling 168-bit encryption, which is considered strong encryption. Strong encryption has proven almost impossible for the average PC user to break. If implemented, clear text traffic from the network entering the main router at Manassas, VA or Baltimore, MD would be encrypted for transmission across the frame-relay network and then decrypted at the remote router or vice versa.

## 2.5 Network Configuration and Testing

Considering that there are 55 separate entities connecting to the OCSE Network, the network is in a constant state of change. It is vital to capture all information regarding changes to the network configuration. A State Profile is used to track unique information for each remote location. The State Profile is maintained at the Manassas site and is updated whenever changes are made to the state network. Section 2.5.1 describes the details of the State Profile.

There are also three separate areas to consider when discussing testing on the OCSE Network based on the network architecture. First, there is the LAN portion of the network in Manassas and Baltimore. Second, there is the WAN, or frame-relay portion. Last, there is the state LAN that also requires a limited degree of testing from the Manassas site. There are three tests used to validate the correct configuration and operation of the OCSE networking equipment:

- ▶ Frame-Relay Functionality Test;
- ▶ Host Connectivity Test; and
- ▶ Dial-backup Connectivity Test.

These tests are performed on an as-required basis only and encompass all three portions of the OCSE Network. As-required testing is conducted for numerous reasons including:

- ▶ new equipment installation;
- ▶ troubleshooting connectivity problems;
- ▶ change of IP addressing;
- ▶ change of phone number;

- ▶ change of remote equipment; or
- ▶ change of remote host.

The results for all tests performed are provided to the remote location.

## STATE PROFILE NETWORK PARAMETERS

The Manassas site maintains a database containing information pertaining to each remote location called a State Profile. This profile contains key information regarding the remote network and is used in part to configure and maintain the OCSE communications equipment. Some of this information includes:

- ▶ IP addresses and subnet masks;
- ▶ LAN interface (Ethernet, Fast Ethernet, Token Ring, or serial);
- ▶ analog phone number (for dial backup communications);
- ▶ logon parameters (userid, password);
- ▶ data set names; and
- ▶ points of contact information (technical POC, communications coordinator, etc.).

It is recognized that this information periodically changes for various reasons. Changes to the network configuration parameters, logon parameters, and data set names must be coordinated in advance through the CSENet Service Desk.

## FRAME-RELAY FUNCTIONALITY TEST

This test has three main functions:

- ▶ The Ping application verifies connectivity to the remote router over the network.
- ▶ The Ping application verifies connectivity to the remote host.
- ▶ The local and remote router statistics and configurations are captured.

The results of the test are written to an output file. The test results are validated by successful Ping responses to the remote router and host, and the statistics matching expected results from the remote and local routers.

## HOST CONNECTIVITY TEST

This test performs the following functions:

- ▶ The Ping application verifies connectivity to the remote router.
- ▶ The FTP application verifies proper logon parameters to the remote host.
- ▶ The FTP application retrieves a specified data set after the logon.

A successful logon and retrieval of the data set validate the test. The results of the test are written to an output file.

**DIAL BACKUP CONNECTIVITY TEST**

This test demonstrates fallback communications to remote locations that normally use frame relay and have an analog phone line for fallback data communications. This test performs the following functions:

- ▶ Disables both of the frame-relay interfaces for the tested remote location;
- ▶ Uses a fallback analog circuit to restore communications to the remote location;
- ▶ Ping and Traceroute applications verify connectivity with the remote router over the fallback analog circuit.

The test is validated if the Ping and Traceroute applications can communicate with the remote router over the analog phone line. The test concludes by enabling both of the frame-relay interfaces and terminating the modem connection. The results of the test are written to an output file.

**SEMI-ANNUAL DIAL BACKUP TEST**

This test also demonstrates fallback communications to remote locations. Test methodology is very similar to the Dial Backup Connectivity Test except the Semi-annual Dial Backup Test checks all remote locations on a specific schedule instead of as required. The test is conducted every six months and the results are provided to OCSE and the remote-location points of contact. The test is validated if the Ping and Traceroute applications can communicate with the remote router and host over the analog phone line.

The Semi-annual Dial Backup Test provides two output reports. The first is a detailed report showing all of the test scripts executed and the recorded results of those scripts. The detailed report is used if there are questions regarding the validity of the test results. The second is a summary report, which shows concise test result information regarding the status of the fallback communications to each remote location. The summary is provided to OCSE and points of contact at remote locations.

## 2.6 New Site Installation

To connect a new site to the OCSE Network, an employer should take the following steps:

Contact the e-IWO Project Manager or the Service Desk at (800) 258-2736. This team will provide information concerning the e-IWO process and it's integration with the OCSE Network.

1. With OCSE's approval, a frame-relay circuit will be procured through the FTS2001 contract.
2. Make available an analog phone line for backup communications.
3. Depending on the circumstances, an engineer may be deployed to install the OCSE equipment.

For questions regarding the network or the e-IWO process contact the e-IWO Project Manager at (518) 399-9241.

**Network Troubleshooting and Maintenance**

Equipment provided to remote locations is owned, administered, and maintained by OCSE. Remote locations are responsible for maintaining communications between their remote host and the OCSE router. The state communications coordinator will be notified if communications between the remote host and the remote router cannot be established.

# Alternative # 2

# File Transfer Protocol (FTP)

When a state and a private sector employer want to exchange e-IWO files, a communication methodology other than the OCSE Network, described above in Alternative #1, must be developed and implemented (the OCSE Network, at this time is a "closed" network – i.e., not available to the Internet).  The state of Indiana and Meijer Corporation, when implementing the e-IWO process, decided on a FTP solution.

FTP is a standard Internet protocol to exchange files between computers on the Internet.  In designing a FTP solution for exchanging e-IWO files, Meijer Corporation offered to put the e-IWO Receipt and Acknowledgement files to a server directory outside their firewall with a specific User ID and password.  Indiana would then be able to place and retrieve files (e.g., place the "e-IWO" record there and retrieve any "Read Receipt" and "Detailed Acknowledgement" files from Meijer on a regular basis). This server directory allows both Indiana and Meijer to electronically deposit and retrieve e-IWO files.

Because of the confidential and sensitive nature of the information, both Meijer and Indiana agreed that the data sent to, or from this server would be encrypted.

The transmission timing and sequences for exchanging e-IWO files between Meijer and Indiana is as follows:

- ▶ Indiana sends orders daily (if they have any) at 6:00 AM. They process every day except Saturday.  No file will be sent if there are no e-IWO's for that day.
- ▶ Meijer's procedure will start at 6:30 AM daily to check if a file was received.  They process the e-IWO orders received.
- ▶ File Receipt (RCD) and Acknowledgement (ACK) will be sent to Indiana as separate files and will be sent to Indiana the same day the initial e-IWO is received.
- ▶ An email notification will also be sent to Indiana to advise them if any "Read Receipt" or "Acknowledgement" files were placed in their directory.
- ▶ On Wednesdays, any Meijer initiated termination notices will be included in the ACK files.

APPENDIX E

Federal Parent Locator Service

# Electronic Income-Withholding Order Pilot Project

## ≡e-IWO

## e-IWO Pilot Project Evaluation
Document Version 2.0
March 16, 2006

Administration for Children and Families
Office of Child Support Enforcement
370 L'Enfant Promenade S.W.
Washington, DC 20447

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# EXECUTIVE SUMMARY

In 2004, the Federal Office of Child Support Enforcement (OCSE) established a workgroup to explore the efficacy of electronically processing income-withholding orders. The workgroup, comprising representatives from states, tribes, and territories, and from employers, designed and developed the layouts, workflow, and business rules for the exchange of income-withholding orders and related communications. The layouts were completed March 15, 2005, and the pilot was initiated when the first state and employer began communications on June 26, 2005.

The electronic Income-Withholding Order (*e*-IWO) pilot project results have clearly proved that:

- states, tribes, and territories could, in fact, electronically transmit IWO documents to employers;

- employers could receive and process *e*-IWO records electronically; and

- employers could electronically provide states, tribes, and territories with information about *e*-IWO records sent to them.

**Major Accomplishments**

The major accomplishments for the *e*-IWO pilot project include the following.

- The workgroup designed, developed, and implemented flat-file and XML record layouts/formats, based on the ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT or NOTICE OF AN ORDER TO WITHHOLD INCOME FOR CHILD SUPPORT.

- States and employers used the layouts developed by the workgroup to successfully implement the electronic transmission of income-withholding orders/notices.

- An electronic acknowledgement process was developed to enable states, tribes, and territories to communicate electronically about new orders, amended orders, terminations, and lump-sum amounts.

- The process was implemented with a large payroll processor – Defense Finance and Accounting Service (DFAS).

- Colorado, using the *e*-IWO XML schema, implemented web services for the *e*-IWO process on its web site.

**Savings and Benefits**

The significant benefits and cost savings of the *e*-IWO process experienced by the pilot participants to date are:

- income-withholding orders reach the employer faster than under the paper process;

- employers are able to implement the IWO faster than the paper process;

- states have experienced an increase in the speed of collections (first check is received two to four weeks faster than under the paper process);

- costs (e.g., postage, processing time, paper) have been reduced for both states and employers.

The chart on the next page estimates the cost savings and increased collections attributable to the *e*-IWO project.

| COSTS AND SAVINGS | | | | | |
|---|---|---|---|---|---|
| State | Development Hours/Development Costs | Number of *e*-IWOs Sent | Increase In Collections | Administrative/ Program Savings | First Year Net Dollar Increase/Decrease |
| Colorado | 400 Hours<br>400 Hours x $75.00 hourly rate = **$30,000** | 4,492 | 4,492 *e*-IWOs sent<br>4,492 x .5 (Collection Percentage) x $150.00 (average collection for 3 weeks) = **$336,900** | 4,492 *e*-IWOs Documents sent x $1.00 per document = **$4,492** savings | **$311,392** |
| Indiana | 850 Hours<br>850 Hours x $75.00 hourly rate = **$63,750** | 965 | 965 *e*-IWOs sent<br>965 x .5 (Collection Percentage) x $150.00 (average collection for 3 weeks) = **$72,375** | 965 *e*-IWOs Documents sent x $1.00 per document = **$965** savings | **$9,590** |
| North Carolina | 600 Hours<br>600 Hours x $75.00 hourly rate = **$45,000** | 900 | 900 e-IWOs sent<br>900 x .5 (Collection Percentage) x $150.00 (average collection for 3 weeks) = **$67,500** | 900 e-IWOs Documents sent x $1.00 per document = **$900** savings | **$23,400** |
| Oregon | 187 Hours<br>187 Hours x $75.00 hourly rate = **$14,025** | 100 | 100 *e*-IWOs sent<br>100 x .5 (Collection Percentage) x $150.00 (average collection for 3 weeks) = **$7,500** | 100 *e*-IWOs Documents sent x $1.00 per document = **$100** savings | **-$6,425** |
| Texas | 160 Hours<br>160 Hours x $75.00 hourly rate = **$12,000** | 4434 | 4,434 *e*-IWOs sent<br>4,434 x .5 (Collection Percentage) x $150.00 (average collection for 3 weeks) = **$332,550** | 4,434 *e*-IWOs Documents sent x $1.00 per document = **$4,434** savings | **$336,984** |

NOTE: The development costs noted above are one-time costs; therefore, subsequent implementations would incur a minimal expenditure of resources. To keep costs down, states and employers need to be able to capitalize on the format chosen and have a centralized portal, or other mechanism, to translate the files/records into a format they each can handle in an automated fashion.

**Increased Collections**

If the *e*-IWO project were to be implemented nationwide, there would be an increase in collections of $46,747,715.  This was calculated using caseload, order, and collection data from the OCSE 157, as well as W-4 hit percentages, census data, and an assumption that 75 percent of the largest companies would utilize the *e*-IWO process.

**Recommended Next Steps**

Although the pilot clearly demonstrated that income-withholding order information could be exchanged electronically and that this project should continue to move forward, the method by which the electronic communication occurs still needs resolution.  The *e*-IWO workgroup has strongly supported a central location (e.g., a portal) that would allow all states and employers to come to one location to pick up and drop off files.  Without such a solution, states and private employers, and possibly some public employers, would have to develop and implement multiple communication paths to/from each state and employer.  This would seriously impact the state and employer participation in this project.  This issue is currently being addressed by OCSE.

Should a central location for states and employers to drop off and pick up files be developed, an agreement may be necessary to ensure that all parties understand their roles and responsibilities regarding the transmission and acceptance of *e*-IWO files.

## 1.0   BACKGROUND

In the past, several states and employers have transmitted income-withholding orders (IWOs) electronically.  In fact six states have previously and are continuing to electronically communicate income-withholding orders with DFAS, using a record layout specifically designed for DFAS. Two of the pilot states have electronically communicated income-withholding orders with other private and public employers. However most, if not all, of these efforts used electronic formats developed by each state. Therefore, prior to the *e*-IWO project, there was not a single, uniform layout and process that could be used by *all* states and employers.  OCSE initiated the *e*-IWO project with the intended purpose of developing one standardized layout, workflow, and process, which could be used by all states and employers for transmitting income-withholding orders.

The *e*-IWO project began with a day and a half meeting in August 2004, comprising 11 employers from the public and private sector, a large payroll processor, federal agencies (Social Security Administration, Department of Defense, and US Postal Service) and 18 states, tribes, and territories.[*] The workgroup membership has grown to 24 states and 25 employers. (A list of the attendees for the original workgroup can be found in Attachment #1 and the minutes from this meeting in Attachment #2.)

At the start of the meeting, the benefits of electronically transmitting the income-withholding order/notice were briefly reviewed.  The major benefits identified included:

- increased collections;

- reduction in processing time and costs for states and employers;

- income-withholding orders would reach the employer much sooner than with the paper process;

- employers would have one format from all states upon which they could rely when processing income-withholding orders.

During this meeting every element on the current ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT or NOTICE OF AN ORDER TO WITHHOLD INCOME FOR CHILD SUPPORT form was discussed.  Decisions were reached regarding each element's meaning assuming an electronic transmission, i.e., no manual intervention.  The workgroup then discussed the various layouts that would be used.  The general consensus was that there would, at a minimum, be a flat file, an XML schema, and possibly a PDF version, and that all these layouts would be based on the standard income-withholding form.  These layouts would be used by states to electronically

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[*] From this point forward, use of the term "state" shall be construed as including states, tribes, and territories.

transmit the income-withholding order form to employers and it would also be the one that employers would electronically accept and process.

There was also a discussion of an acknowledgement process that would have employers electronically notify the states after receiving an *e*-IWO document as to whether it could be processed. This acknowledgement process would also enable employers to electronically notify states when a non-custodial parent (NCP) left his or her job, or when a lump-sum payment would be made to an NCP.

At the conclusion of the meeting the participants determined that the electronic transmission of income-withholding orders should definitely be pursued. It was also decided that there would be a pilot to test the record layouts and transmission methodologies developed in this process.

An electronic income-withholding order workgroup, composed of participants at this initial meeting, would be formed to document the process/workflow and to design and develop the flat file and XML schemas based on the elements in the ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT or NOTICE OF AN ORDER TO WITHHOLD INCOME FOR CHILD SUPPORT forms. A separate sub-workgroup would develop workflows and electronic layouts for the acknowledgement, termination, and lump-sum conditions in order that these could be incorporated in the electronic transmission process.

Subsequent to this meeting, the workgroups were formed and regular meetings were held to design, develop, and implement the *e*-IWO process.

## 2.0  *e*-IWO WORKFLOWS

After the initial meeting in Chicago, the *e*-IWO workflows were discussed, described, and documented.  The workflows include processes for file receipt, acknowledgements, and lump-sum notifications.

## 2.1  Initial *e*-IWO Process

From the state perspective, the process of identifying the cases requiring income-withholding orders has not changed, i.e., the immediate and delinquent orders are almost always identified during a daily accounting run.  Included in this process is the identification of NCPs for whom the child support deduction should be stopped.

After a case has been identified, the system would then format the *e*-IWO record in the appropriate layout (e.g., flat file or XML) and route it for transmission to or pick-up by an employer.  The instructions and/or edits for each of the data elements in the electronic record are contained in the *e*-IWO Detail Header, Detail, and Detail Trailer records.  Also included with the file is a count of the number and type of *e*-IWO documents contained in the transmission, e.g., original, amended, termination, or lump sum.

### 2.1.1  EMPLOYER PROCESSING

Employers or payroll processors must be able to accept and process the *e*-IWO Detail Header, *e*-IWO Detail, and *e*-IWO Trailer records electronically, since once *e*-IWO is implemented, the states will not be sending paper income-withholding orders.  The extent to which employers or payroll processors automate the *e*-IWO records within their systems is dependent upon their policy, procedures, and level of automation.

Some employers have chosen to completely automate the acceptance and processing of *e*-IWO records (Meijer and Labor Ready), whereas others have chosen to perform some manual reviews before electronically updating their systems.  Employers have also used different approaches to providing a hard copy of the *e*-IWO document to the NCP.  One has written a program to print a document from the flat file, another saves the file to a database in a format that allows the NCP to access a copy online, whereas other NCPs receive a PDF from the state.

### 2.1.2  TWO-STEP FEEDBACK PROCESS FOR STATE CSE AGENCIES

The *e*-IWO project introduced a two-step feedback process.  The first step involves use of a File Receipt record.  The second requires the employer to inform the state of the disposition of *e*-IWO documents within a few days of receipt.

This more detailed notification would include:

- whether an employee resigned or was terminated; and

- whether a lump-sum payment was going to be made to an NCP.

A more detailed description of this feedback process, as agreed to by the *e*-IWO workgroup, is provided in the next sections.

## 2.2   File Receipt Process

This proposed workflow has two acknowledgement records.  The first record, called a File Receipt, is simply an electronic acknowledgement that the employer received the file sent by the state.  It does *not* contain any information about the number of records processed, accepted, or rejected, nor does it contain any information about the individual records, e.g., that the employee is no longer employed.  The employer must return the File Receipt to the child support enforcement (CSE) agency as soon as possible after receiving the file.

## 2.3   Acknowledgement Process

A second record, referred to as an Acknowledgement, will be used by employers to transmit information about each individual income-withholding order.

### 2.3.1   EMPLOYER RECEIVES AN ORDER NOTICE

The Acknowledgement contains elements to enable employers to send detailed information after the receipt of an *e*-IWO. The Acknowledgement can be used to advise the CSE agency that:

- the order was implemented;
- the order cannot be implemented because the employee is no longer or was never an employee;
- this income-withholding order is a duplicate; or
- other reason.

The Acknowledgement file uses a series of codes to indicate reasons that an *e*-IWO cannot be implemented, which allows states to automate the responses to the extent possible.

This Acknowledgement is optional for employers, although the use of it will significantly decrease inquiries from CSE agencies as to the status of a recently sent *e*-IWO.

### 2.3.2   EMPLOYER RECEIVES AN ORDER TERMINATION NOTICE

Upon receipt of the automated termination of an Order/Notice for an NCP, the employer will, as soon as practicable, cease the withholding identified in the transmission.  The employer will then return the File Receipt and, hopefully, an Acknowledgement advising the CSE agency that the termination was received and processed.

### 2.3.3  EMPLOYER SENDS A TERMINATION NOTICE TO A CSE AGENCY

The Order/Notice requires employers to "…promptly notify the Child Support Enforcement (IV-D) Agency and/or the contact person listed below when the employee/obligor no longer works for you" (#5 on back of "Order/Notice").

When an employee with an income-withholding order in place terminates, the employer uses the Acknowledgement record to inform the CSE agency of this event.  The employer can use this record to electronically notify the CSE agency of termination, suspensions, date of termination, and the like.

## 2.4  Lump-Sum Order Process

In the course of enforcing a child support obligation, CSE agencies discover or are made aware that an obligor will be paid a lump-sum or one-time payment.  This can occur when an obligor has applied for Social Security or workers' compensation benefits or is due a bonus payment.  In the case of Social Security or workers' compensation, when the obligor is determined to be eligible, he or she may be issued a lump sum for benefits retroactive to the date of his/her application.

This workflow proposes a methodology that will enable CSE agencies to electronically transmit this lump-sum withholding notice along with any other *e*-IWO documents, e.g., original, amended, or termination.  By definition, it advises the employer that *if* there is a current income-withholding order in place, it must continue that withholding *and,* in addition, deduct the amount specified in the lump-sum Order/Notice.  If no current income-withholding order is in place, the employer must deduct the amount(s) indicated in the lump-sum Order/Notice.

Timeliness is key for this request – the CSE agency wants to ensure that the request reaches the employer(s) before a one-time distribution is completed. The electronic transmission of this lump-sum deduction request to employers requires standardized and uniform layouts and procedures in order that the information is conveyed in a timely, efficient, and effective manner.  The acknowledgement process ensures this standardization.

### 2.4.1  CSE AGENCY SENDS A LUMP-SUM NOTICE TO AN EMPLOYER

When a CSE agency is notified that an NCP will be issued a lump-sum payment against which an income-withholding deduction can be processed, the CSE agency would electronically transmit an *e*-IWO document requesting the employer to deduct a specified amount.

### 2.4.2  EMPLOYER RECEIVES A LUMP-SUM NOTICE

Upon receipt of the automated lump-sum Order/Notice, the employer will return the File Receipt. It will then deduct the amount(s) specified in the Order/Notice from the disbursement and forward the monies to the CSE agency.  After this, the employer will

transmit an Acknowledgement advising the CSE agency that the document was accepted and processed or rejected.

If there is already an Order/Notice in place with the employer, those deductions will continue, since the lump-sum Order/Notice is a one-time intercept of a lump-sum payment and does not replace an existing Order/Notice.  Because it is a one-time intercept, the CSE agency does not need to transmit a termination notice.

## 3.0   *e*-IWO OBJECTIVES AND RESULTS

After the initial meeting of the *e*-IWO Workgroup, the goals/objectives for this pilot program were then more clearly defined. Section 3.1 provides an overview of results against objectives, and section 3.2 provides detailed information about experience and results gained from the pilot.

## 3.1   Status of Objectives

This section identifies the major goals/objectives of the project, followed by a brief description of the current status for achieving the goal/objective.

| | |
|---|---|
| **Objective 1** | **Develop an electronic record format(s), based on the ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT or NOTICE OF AN ORDER TO WITHHOLD INCOME FOR CHILD SUPPORT for states, tribes, and territories to send income-withholding orders to employers.** |
| **Status** | Completed Successfully |
| **Results** | A flat-file record layout and an XML schema were designed, developed, and implemented by several states and employers for the *e*-IWO pilot.  States were able to map elements from their systems to these record layouts in the same fashion as they mapped these elements to the paper-based income-withholding orders. |
| **Objective 2** | **Ensure that the record layout is based on the standard IWO document.** |
| **Status** | Completed Successfully |
| **Results** | In the flat-file record layout, each data element is mapped to the corresponding element, e.g., name, dollar amount, percentage, in the ORDER/NOTICE TO WITHHOLD INCOME FOR CHILD SUPPORT or NOTICE OF AN ORDER TO WITHHOLD INCOME FOR CHILD SUPPORT.  The only exception was the addition of data elements that are specifically necessary to facilitate electronic processing of income-withholding documents. |

| | |
|---|---|
| **Objective 3** | **Ensure that employers can accept and process e-IWO documents based on the electronic record layouts developed.** |
| **Status** | Completed Successfully |
| **Results** | At the end of the pilot there were several employers that were able to accept and process the flat-file record layouts. One employer, Labor Ready, was able to accept and process the XML documents also, so both formats were tested, functioned properly, and were placed in production.  In fact, Meijer Corporation, which uses and accepts the flat-file layout, and Labor Ready designed and implemented the *e*-IWO process so that their payroll processing systems accept and process orders with virtually no manual intervention. |
| **Objective 4** | **Develop standardized record layouts, both flat file and XML, that would support an electronic acknowledgement and termination process for use by employers.  These processes would enable employers to electronically notify states when:**<br><br>• **an IWO had been received and processed; and**<br><br>• **an NCP is not employed by them.** |
| **Status** | Completed Successfully |
| **Results** | An Acknowledgement record was designed and developed. It has been implemented by several states and employers in the workgroup. The Acknowledgement record is intended to be sent by employers to states when:<br><br>• an *e*-IWO has been received by the employer and the employer advises the state whether it was accepted or rejected;<br><br>• an NCP resigns or is terminated (with the *e*-IWO system, states receive this information within days – not weeks or months of this event); or<br><br>• a lump-sum payment will be made to the NCP.  This will enable states to make a determination of whether to send a lump-sum Order to withhold money from the NCP's lump-sum payment.<br><br>Although this Acknowledgement record is not required as part of the *e*-IWO process, all employers have programmed for it and are sending it to the states.  The Acknowledgement record has been extremely successful both for states and employers and all employers have been willing to incorporate it into their payroll systems.  States receive confirmations about *e*-IWOs sent and information on terminations very quickly and employers do not have to contend with follow up correspondence from CSE agencies on IWO status. |

| | |
|---|---|
| **Objective 5** | **Determine whether sending IWO documents electronically is cost-effective, efficient, and increases collections.** |
| **Status** | Completed Successfully |
| **Results** | The *e*-IWO pilot has confirmed that the electronic transmission of income-withholding documents increases collections, is cost effective, and efficient compared to the current paper-based process. (More specific details can be found in sections 3.2.1 and 3.2.2.) |
| **Objective 6** | **Review the most effective methodology for states and employers to exchange e-IWO documents.** |
| **Status** | In Progress |
| **Results** | Currently, the *e*-IWO documents are being transmitted to DFAS using the OCSE Network.  States send their *e*-IWO files in much the same manner as they do for Child Support Enforcement Network (CSENet) transactions. The *e*-IWO documents are transmitted over the OCSE Network to DFAS and the Acknowledgement records are transmitted back to the states via the OCSE Network. Indiana, Oregon, and North Carolina are currently using the OCSE Network to transmit and receive *e*-IWO files with DFAS.  Virginia and New York will be moving into production in the near future.<br><br>Since the OCSE Network is a frame relay circuit that is "closed," i.e., not available to the Internet, it was not a viable option to use for private employers.  Therefore, each state and private employer developed their own solutions to exchange *e*-IWO files.  (Sections 3.2.4, 3.2.5, and 3.2.6 offer details on the solutions arrived at by three states and three private employers.) |
| **Objective 7** | **Determine the role for Federal OCSE in facilitating the transmission of e-IWO documents.** |
| **Status** | In Progress |
| **Results** | Although several decisions have been reached about the transmission of records using the OCSE Network, discussions are ongoing regarding OCSE's involvement in the transmission of files to private employers.  The concept of a central "portal" (one location where all states and employers could drop off and pick-up all *e*-IWO files) has been presented to the IV-D Directors and is under active consideration.  Several members from the *e*-IWO Workgroup will be reviewing this concept and making recommendations for the design of a portal should the decision be made to implement this approach. (See sections 3.2.4, 3.2.5, and 3.2.6 for specific details on experiences of states and private employers.) |

## 3.2    Detailed Results

This section provides additional detail and background information on results of the pilot and experiences of pilot participants.

### 3.2.1  INCREASED COLLECTIONS

**Additional Collections**. Indiana has reported that the first check after issuance of an *e*-IWO document to an employer is received anywhere from two to four weeks earlier than if the income-withholding order went through the normal paper process.  This means that states will receive an additional two to four weeks of a collection that otherwise would not have been paid in a timely fashion.  All other states in the pilot have experienced similar results.

Prior to the *e*-IWO project, Texas had begun transmitting income-withholding orders electronically.  In fact, the state had issued nearly 29,000 income-withholding orders to DFAS since January 2003 and before the *e*-IWO project began.  According to Texas, if each of the approximately 29,000 income-withholding orders Texas issued electronically had generated just one extra payment (average $250), the result would be $7.25 million in increased collections.

**Timely Status Information**. It has also provided the states with timely information about the status of an income-withholding order.  This is significant because today many states have to wait several weeks to see if payments arrive to know whether the income-withholding order was successful. If a state is notified within a few days of sending an *e*-IWO that the NCP is not an employee, the state can immediately pursue other enforcement remedies or actions. Timely notification brings timely enforcement, which will result in payments arriving in a more expeditious timeframe.

### 3.2.2  *e*-IWO COST EFFECTIVENESS AND EFFICIENCY

Although not specifically quantified by all *e*-IWO participants, all states no longer have to generate a paper income-withholding order to an employer, although paper copies may still have to be generated for the NCP, CP, and possibly courts.  The cost of generating one income-withholding order is approximately $1.00 (postage, paper, envelopes, processing, computer time, etc.). Every document that does not have to be produced, processed, and mailed saves the state money.

**Examples – States**. Texas reported that it has issued 4,170 and 264 *e*-IWO documents to Labor Ready and H.E.B. Grocery, respectively, since the start of the *e*-IWO project in June 2005.  Its cost for mailing and processing these documents would result in a savings of approximately $4,434, assuming it costs $1.00 per document to issue each income withholding document.

Colorado has generated 4,492 *e*-IWO documents to Labor Ready since it began the electronic process last summer, for a savings of $4,492 ($1.00 per document). As more employers join the project the cost savings will only continue to grow.

**Examples – Employers**. Labor Ready estimates that electronic processing has reduced the amount of time it takes to process income-withholding orders by 90 percent.  Meijer Corporation has experienced similar savings and indicated that the *e*-IWO process has saved it $6.50 on each income-withholding document it receives.  Rather than taking weeks for processing income-withholding orders, DFAS can process an *e*-IWO within a few days of receipt.  Employers have indicated electronic transmission streamlined and made the income-withholding process far more efficient than receiving paper.  They also stated that having one standard layout has greatly improved the withholding process and enabled them to manage and operate it far more efficiently than before.

**Effort for Adding Entities is Minimal**. Once a state or employer has developed and implemented the *e*-IWO process, adding another entity with which to exchange *e*-IWO files involves minimal effort.  A perfect example of this is the first *e*-IWO implementation, Indiana with Meijer Corporation and DFAS.  Indiana was able to begin exchanging *e*-IWO documents with both Meijer and DFAS in the same week.  Because the layout has been standardized (no customization needed for different states or employers), once the *e*-IWO application has been developed, deploying it with other organizations is very straightforward.  Therefore, states or employers can develop once and implement multiple times with minimal effort.

## 3.2.3  LEVEL OF EFFORT REQUIRED

The level of effort and commitment of resources that states have devoted to the *e*-IWO process vary due to the following at a minimum:

- the level of automation already existing for issuance of income-withholding orders (e.g., Colorado and Texas already had web sites to which income-withholding orders are sent);

- the application within the state system for generating income-withholding orders (e.g., some states had to perform additional changes to their income-withholding process so the correct orders were retrieved for the *e*-IWO process); and

- elements that must be added to accommodate the Acknowledgement record and process.

The estimate of resources for those states and employers that could provide such information is listed in Chart 3-1.

| CHART 3-1: LEVELS OF EFFORT | |
|---|---|
| States | Level of Effort (Hours) |
| Colorado | 400 |
| Indiana | 850[1] <br><br> [1]Indiana indicated that changes to the automated income-withholding order process that were unrelated to the *e*-IWO application effort were imbedded in this estimate. |
| North Carolina | 600 |
| Oregon | 187 |
| Texas | 160 |
| Employers | Level of Effort (Hours) |
| Meijer Corporation | 300[2] <br><br> [2] Meijer saved *$6.50* per income-withholding document processed. |
| Labor Ready | 50 |
| DFAS | 600 |

### 3.2.4  TRANSMISSION OF *e*-IWO FILES BETWEEN INDIANA AND MEIJER CORPORATION

The first implementation with a private employer involved Indiana and Meijer Corporation.  They settled on FTP transmission and used encryption to secure the data.

**Implementation Strategy:**  During their discussion of how to exchange *e*-IWO files, both agreed that secure FTP, using PGP encryption, would be an acceptable transport mechanism and both agreed to use this.  Both will use the *e*-IWO flat-file format.

**Issue – Inability to Receive Files:**  While the approach was agreeable to both, each organization wanted to "push" files to the other and both organizations have a policy of not allowing others into their systems. Hence this approach was problematic.

**Solution:**  Meijer decided to put the *e*-IWO File Receipt and Acknowledgement files on a server directory outside its firewall, accessible with a specific user name and password. Indiana would then be able to place and retrieve files, e.g., place the *e*-IWO record there and retrieve any File Receipt and detailed Acknowledgement files from Meijer in an automated fashion and on a regular basis.

### 3.2.5  TRANSMISSION OF *e*-IWO FILES BETWEEN COLORADO AND LABOR READY

**Implementation Strategy:**  Colorado and Labor Ready will be communicating directly with each other, using FTP to exchange *e*-IWO records.  They will be using the *e*-IWO XML schema.

**Issue:** Other than minor modifications to the XML schema and XML test document, no major issues have been identified to date.

**Proposed Transmission Sequences:**

- Colorado will generate *e*-IWOs daily (originals, amended, and terminations) and transmit them to its web site in a zip file that contains both the XML and PDF documents. If the state has *e*-IWOs for Labor Ready, an e-mail indicating this will automatically be generated to Labor Ready.

- When Labor Ready receives an e-mail indicating there are *e*-IWO records at the Colorado web site, it will log on to the Colorado web site and download the documents. The *e*-IWOs are generated in real-time when Labor Ready logs on to the web site.

- After a successful download, Labor Ready will confirm the download of the *e*-IWO records. This, for the time being, will suffice for the File Receipt.

- Labor Ready will generate and deposit the File Receipt and detailed Acknowledgement files to the Colorado site for processing.

- Colorado is working on web services to implement with Labor Ready.

### 3.2.6  TRANSMISSION OF *e*-IWO FILES BETWEEN TEXAS WITH LABOR READY AND H.E.B. GROCERY

**Implementation Strategy:** Texas will be communicating directly with Labor Ready and H.E.B. Grocery, using Texas' web portal to exchange *e*-IWO records. They will be using the XML schemas.

**Issue:** Other than some minor modifications to the XML schema and XML test document, no major issues have been identified to date.

**Proposed Transmission Sequences:**

- Texas will generate *e*-IWOs daily (originals, amended, and terminations) and make the files available on its portal in a zip file that contains XML and PDF formats. If the state has *e*-IWOs for Labor Ready or H.E.B., an e-mail indicating this will automatically be generated to the employer.

- When Labor Ready or H.E.B. gets an e-mail indicating there are *e*-IWO records at the Texas web site, the employer will log on to the site and download the *e*-IWO documents. The *e*-IWOs are generated in real-time when the employer logs on to the site.

- After a successful download, Labor Ready and H.E.B. will confirm the download of the *e*-IWO records.  This, for the time being, will suffice for the File Receipt.

- In the near future the plans are for Labor Ready and H.E.B. to send or deposit the File Receipt and detailed Acknowledgement files to the Texas site for processing.

As can be seen from the communication alternatives described above, communication of the *e*-IWO files remains an outstanding issue.

## 4.0   RECOMMENDATIONS AND NEXT STEPS

This section includes recommendations and next steps for the *e*-IWO project.

## 4.1   Add United States Postal Service as an Employer

The USPS has begun design and development efforts for implementing the *e*-IWO process so it can accept and process *e*-IWO documents from states.  There have been several meetings with them and we are expecting an implementation in mid-to-late 2006.  The plan is to transmit *e*-IWO files to USPS via the OCSE Network, as is done with DFAS.

## 4.2   Continue to Add States and Employers to the Project

Although the pilot ended on December 31, 2005, states and employers are being encouraged to join the project.  States or employers in the *e*-IWO workgroup that have not developed the *e*-IWO application are also being encouraged to do so and begin exchanging files with other states or employers that have developed the *e*-IWO process.  Likewise, states and employers that have already developed and implemented the *e*-IWO process are encouraged to exchange *e*-IWO files with other states or employers that have also completed the *e*-IWO application.

Individual conference calls with states interested in exchanging *e*-IWO documents will be continued.  These calls help the parties to fully understand the process, keep each other informed as to their progress, and resolve issues before any testing or implementation begins.  They also serve to establish communication with the state, identify the essential points of contact, and provide a forum for discussing testing procedures and results.

The employer community has been very enthusiastic about the *e*-IWO project.  It is clear that medium-size and larger employers are those who would benefit most from this program, since they have a greater volume of income-withholding orders to accept and process.  Small businesses most likely do not have the volume of income-withholding orders to justify the investment of time and resources to implement *e*-IWO.

## 4.3   Publish *e*-IWO Users Guide

An *e*-IWO Users Guide should be finalized, published, and distributed. This guide will have the information necessary for any state or employer that wants to use the *e*-IWO process to exchange income-withholding documents.  The guide will also include the background information, communication alternatives, record layouts, and *e*-IWO business rules.

## 4.4   Determine Feasibility, Cost/Benefits, and Alternatives for a Centralized Portal

Both employers and states need a transport mechanism that enables them to go to one place to pick up and drop off all files and that also facilitates the transfer of files.  If the decision is made to establish such a distribution mechanism, work must commence on the requirements, design, development, and implementation.  If the decision is not to pursue a centralized portal, the states and employers must be advised of this and other alternatives explored, e.g., establish unique communication solutions as did Indiana, Colorado, and Texas with Meijer and Labor Ready respectively.

# A. ATTACHMENT #1 –CHICAGO MEETING ATTENDEES

**Electronic Income-Withholding Notice Workgroup Meeting**
**Chicago, IL**
**August 23-24, 2004**

| Representation | First Name | Last Name | Organization |
| --- | --- | --- | --- |
| Chickasaw Nation | Tami | Lorbecke | Chickasaw Nation CSE Division |
| Arizona | Victoria | Gibson | Division of Child Support Enforcement |
| Colorado | Craig | Goellner | Division of Child Support Enforcement |
| Guam | Linda | Uson | Office of the Attorney General Child Support Enforcement Division |
| Illinois | Christine | Towles | Department of Public Aid Division of Child Support Enforcement |
| Iowa | Doris | Taylor | Department of Human Services Bureau of Collections |
| Maine | Mike | Hughes | |
| Missouri | Bill | Meyer | Family Support Division |
| New York | Lawrence | Dole | Division of Child Support Enforcement |
| North Carolina | Daisie | Blue | Child Support Enforcement Division |
| Ohio | Sarah | Cooper | Office of Child Support |
| Oregon | Darrin | Jones | Division of Child Support Program Services Region |
| Texas | Thomas | Neal | |
| Washington | Wally | McClure | Child Support Division IT Analysis & Consultation |
| West Virginia | Frank | Lewis | Bureau for Child Support Enforcement |
| Wisconsin | Theola | Carter | Bureau of Child Support Enforcement |
| ADP | Wendy | Seyfert | ADP |
| Alliance Coal, LLC | Layne | Herring | Alliance Coal, LLC |
| American Payroll Association | Amy | Bryant | American Payroll Association |

| Representation | First Name | Last Name | Organization |
|---|---|---|---|
| American Payroll Association | Andrew | McDevitt | American Payroll Association |
| Defense Finance and Accounting Service | Sandra | Ferrone | Defense Finance and Accounting Service |
| Defense Finance and Accounting Service | Neal | Nelson | Defense Finance and Accounting Service Garnishment Operations |
| H.E. Butt Grocery Company | Sandra | Wheatley | H.E. Butt Grocery Company |
| Labor Ready, Inc. | Mike | Jacobson | Labor Ready, Inc. |
| Lockheed Martin | Patricia | Crawford | Lockheed Martin |
| Lockheed Martin | Renee | Higgs | Lockheed Martin |
| Lockheed Martin | Pat | Snodgrass | Lockheed Martin |
| Lockheed Martin | Bill | Stuart | Lockheed Martin |
| Meijer Corporation, Inc. | Jim | Owen | Meijer Corporation, Inc. |
| Newell Rubbermaid | Ken | Stubblefield | Newell Rubbermaid |
| Social Security Adminstration | Jim | Dunn | Social Security Administration Garnishments/Beneficiary Payments |
| Social Security Adminstration | Paul | Shumard | Social Security Administration Chicago Great Lakes Program Service Center |
| SRA | David | Loshin | SRA |
| United States Postal Service | Daniel | Anschutz | United States Postal Service Payroll Benefits Branch |
| United States Postal Service | Thomas | Culhane | IT/ASC Service Centers Involuntary Deductions Unit |
| OCSE | Karen | Anthony | OCSE Office of Automation and Program Operations Division of State Systems |

| Representation | First Name | Last Name | Organization |
|---|---|---|---|
| OCSE | Donna | Bonar | OCSE Office of Automation and Program Operations |
| OCSE | Carol | Callahan | OCSE Employer Services |
| OCSE | Yvette | Hilderson Riddick | OCSE Division of Policy |
| OCSE | Helen | Smith | OCSE Office of Automation and Program Operations |
| OCSE | Lynnetta | Thompson | OCSE Division of State and Tribal Systems |
| OCSE | Ellamae | Williams | OCSE Division of State and Tribal Systems |
| SITC | Sheila | Drake | State Information Technology Consortium |
| SITC | Christi | Oakley | State Information Technology Consortium |
| SITC | Cynthia | Olson | State Information Technology Consortium |

# B. ATTACHMENT #2 –CHICAGO MEETING MINUTES


**Electronic Income Withholding Notice Workgroup**
**Chicago, IL Meeting Notes**
**August 23 and 24, 2004**


*Participating States and Tribes*

| Chickasaw Nation | Arizona | Colorado | Guam |
|---|---|---|---|
| Illinois | Iowa | Maine | Missouri |
| New York | North Carolina | Ohio | Oregon |
| Texas | Washington | West Virginia | Wisconsin |

*Participating Employers/Agencies and Organizations*

| ADP | Alliance Coal, LLC | American Payroll Assoc. | Defense Finance and Accounting Service |
|---|---|---|---|
| H.E. Butt Grocery Co. | Labor Ready | Meijer Corp. | Newell Rubbermaid |
| Social Security Administration | U.S. Postal Service | OCSE | |

**Purpose of the Meeting**

On August 23 and 24, 2004 a workgroup representing the interest of state Child Support Enforcement Agencies, American Native Indian tribes and employers  met at OCSE's request to discuss the development of an electronic Income-Withholding Order (*e*-IWO) format.  The following objectives were the focus of the meeting:

- Develop a plan to improve the IWO process by transitioning from paper-based to electronic transmission
- Determine the necessary data elements for an *e*-IWO
- Gain consensus on business definitions for identified data elements
- Identify the next steps for moving the process forward

**Discussion Summary**

- Meeting participants discussed the current experiences and successes with issuing wage withholding orders electronically.  The DFAS – Kids First and Texas EPAYROLL initiatives were discussed and referenced frequently for the lessons learned.
- OCSE presented the need and approach that will be used to develop data definition and standards for exchange formats.
- The Order/Notice to Withhold Income for Child Support OMB form 0970-0154 and instructions were used to analyze the data needed for an *e*-IWO.  The

participants reviewed each element on the form and developed standard definitions.  Issues with specific data elements were documented for investigation by OCSE.  Participants agreed that for common elements the definitions should be consistent with the SSA Magnetic Media Reporting and Electronic Filing (MMREF) formats.  The participants will be given the definitions for review based on the resolution of issues identified during the meeting.

The workgroup discussed the timing for piloting the *e*-IWO formats and agreed to begin piloting at the end of January, 2005.  The piloting will involve several phases and multiple groups will participate.

**Consensus Items**

The participants reached consensus on the following issues during the two-day meeting:

1)  The scope of this workgroup is limited to processing income-withholding orders on IV-D child support enforcement cases.

2)  All participants agreed that the timing of this initiative is ideal since the revised standardized income-withholding order (IWO) was recently released and there is value in developing a standardized electronic format.

3)  To the extent possible, OCSE should play a lead role in facilitating the development of the electronic IWO format(s) and supporting the pilot effort.

4)  The workgroup would benefit from drawing on the experience of Texas and DFAS, which currently have electronic exchange of IWO data with other partners, and from using existing resources such as the Magnetic Media Reporting and Electronic Filing (MMREF) guide.

5)  A variety of options for electronic formats and transmission methods will be necessary to meet the needs of diverse state and employer automated systems.

6)  Employers and states that have implemented the electronic exchange of IWO data have seen benefits (time and resource savings) from moving away from the paper forms.

7)  The final IWO products need to be user-friendly and cost-effective to implement.

8)  The electronic IWO workgroup will not address issues related to the National Medical Support Notice, although those issues may be identified for further research by OCSE.

An effective date for termination of an IWO is not necessary since it can be assumed that an employer will take the action as soon as possible. It is the responsibility of the IV-D agency to process any refunds to the employee.

# Appendix F
# <u>**CONTACT INFORMATION**</u>

For further information on the eIWO Project or to find out how to participate, please contact:

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